

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 498 be recommitted to a Committee of One, its sponsor, with specific instructions to amend as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 3-5-2-26 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. "Fiscal officer"
- 5 means **the:**
- 6 (1) ~~the~~ city controller **or clerk-treasurer** of a second class city;
- 7 **or**
- 8 (2) ~~the~~ clerk-treasurer of a town; or
- 9 (3) **clerk-treasurer of a** third class city.
- 10 SECTION 2. IC 3-8-1-28 IS AMENDED TO READ AS
- 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. A candidate for the
- 12 office of city clerk of a second class city, **or city clerk-treasurer of a**
- 13 **second class city, or** city clerk-treasurer of a third class city must have
- 14 resided in the city for at least one (1) year before the election.
- 15 SECTION 3. IC 3-13-8-5 IS AMENDED TO READ AS
- 16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A vacancy in the
- 17 office of mayor of a second class city not covered by section 1 of this
- 18 chapter shall be filled as follows:
- 19 (1) If the city has a deputy mayor, the deputy mayor assumes the
- 20 office for the remainder of the unexpired term.
- 21 (2) If the city does not have a deputy mayor, the city controller
- 22 **or city clerk-treasurer** assumes the office for the remainder of
- 23 the unexpired term.
- 24 (3) If the city does not have a deputy mayor and the office of city
- 25 controller **or city clerk-treasurer** is vacant, the common council

1 shall fill the vacancy at a regular or special meeting.

2 (b) The city clerk **or president of the common council** shall give

3 notice of the meeting required under subsection (a)(3), which shall be

4 held within thirty (30) days after the vacancy occurs. The notice must:

5 (1) be in writing;

6 (2) state the purpose of the meeting;

7 (3) state the date, time, and place of the meeting; and

8 (4) be sent by first class mail to each council member at least ten

9 (10) days before the meeting.

10 (c) Until the vacancy is filled, the council shall designate one (1)

11 of its members to serve as acting mayor.

12 SECTION 4. IC 3-13-8-6 IS AMENDED TO READ AS

13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A vacancy in the

14 office of city clerk of a second class city **or city clerk-treasurer of a**

15 **second class city** not covered by section 1 of this chapter shall be filled

16 by the mayor or acting mayor, subject to the approval of the common

17 council.

18 (b) The common council shall vote on the question of approving

19 the mayor or acting mayor's appointment at a regular or special

20 meeting. The president of the common council shall give notice of the

21 meeting, which shall be held within thirty (30) days after the

22 appointment is made. The notice must:

23 (1) be in writing;

24 (2) state the purpose of the meeting;

25 (3) state the date, time, and place of the meeting; and

26 (4) be sent by first class mail to each council member at least ten

27 (10) days before the meeting.

28 SECTION 5. IC 3-13-8-7 IS AMENDED TO READ AS

29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A vacancy in the

30 common council of a second class city not covered by section 1 of this

31 chapter shall be filled by the remaining members of the council at a

32 regular or special meeting. The city clerk **or city clerk-treasurer** shall

33 give notice of the meeting, which shall be held within thirty (30) days

34 after the vacancy occurs. The notice must:

35 (1) be in writing;

36 (2) state the purpose of the meeting;

37 (3) state the date, time, and place of the meeting; and

38 (4) be sent by first class mail to each council member at least ten

39 (10) days before the meeting.

40 SECTION 6. IC 3-13-11-14 IS AMENDED TO READ AS

41 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. In accordance with

42 section 12 of this chapter, if the position of deputy mayor is not

43 established by ordinance in a first class or second class city, the city

44 controller **or city clerk-treasurer** assumes the duties of mayor until the

45 office is filled under this chapter.

46 SECTION 7. IC 5-1-4-4 IS AMENDED TO READ AS

47 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The legislative

48 body of any county, second or third class city, or town in which is

49 located one (1) or more participating hospitals, upon request in writing

50 by the board of trustees or other governing board of any such

51 participating hospital, may adopt a resolution for the creation of an

52 authority under this chapter.

(b) Upon the adoption of the resolution, there is created an authority which shall be a body corporate and politic for the purpose of financing, acquiring, constructing, equipping, and leasing a project or projects to participating hospitals located in the county, city, or town or refunding outstanding indebtedness of participating hospitals located in the county, city, or town as authorized by this chapter, or both.

(c) If the authority is created by a resolution of the legislative body of a county, it shall be known as the "Hospital Authority of _____ County" (include the name of the county).

(d) If the authority is created by resolution of the legislative body of a second or third class city or town, it shall be known as the "Hospital Authority of _____" (include the name of the city or town).

(e) The county auditor, the city clerk, **the city clerk-treasurer**, or the town clerk-treasurer, as the case may be, shall file a certified copy of the resolution with the executive of the county, city, or town, as the case may be, in which the authority is created.

SECTION 8. IC 5-11-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section applies to the state and its political subdivisions. However, this section does not apply to the following:

- (1) The state universities.
- (2) Ivy Tech State College.
- (3) A municipality (as defined in IC 36-1-2-11).
- (4) A county.
- (5) An airport authority operating in a consolidated city.
- (6) A capital improvements board of managers operating in a consolidated city.
- (7) A board of directors of a public transportation corporation operating in a consolidated city.
- (8) A municipal corporation organized under IC 16-22-8-6.
- (9) A public library.
- (10) A library services authority.
- (11) A hospital organized under IC 16-22 or a hospital organized under IC 16-23.
- (12) A school corporation (as defined in IC 36-1-2-17).
- (13) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).
- (14) A municipally owned utility (as defined in IC 8-1-2-1).
- (15) A board of an airport authority under IC 8-22-3.
- (16) A conservancy district.
- (17) A board of aviation commissioners under IC 8-22-2.
- (18) A public transportation corporation under IC 36-9-4.
- (19) A commuter transportation district under IC 8-5-15.
- (20) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
- (21) A county building authority under IC 36-9-13.
- (22) A soil and water conservation district established under IC 14-32.
- (23) The northwestern Indiana regional planning commission**

established by IC 36-7-7.6-3.

(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law.

(c) The certificate provided for in subsection (b) is not required for:

- (1) claims rendered by a public utility for electric, gas, steam, water, or telephone services, the charges for which are regulated by a governmental body;
- (2) a warrant issued by the auditor of state under IC 4-13-2-7(b);
- (3) a check issued by a special disbursing officer under IC 4-13-2-20(g); or
- (4) a payment of fees under IC 36-7-11.2-49(b) or IC 36-7-11.3-43(b).

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:

- (1) processed in accordance with this section; and
- (2) for which funds are appropriated and available.

(e) The certificate provided for in subsection (b) must be in the following form:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

SECTION 9. IC 5-11-10-1.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.6. (a) As used in this section, "governmental entity" refers to any of the following:

- (1) A municipality (as defined in IC 36-1-2-11).
- (2) A school corporation (as defined in IC 36-1-2-17), including a school extracurricular account.
- (3) A county.
- (4) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).
- (5) A municipally owned utility that is subject to IC 8-1.5-3 or IC 8-1.5-4.
- (6) A board of an airport authority under IC 8-22-3.
- (7) A board of aviation commissioners under IC 8-22-2.
- (8) A conservancy district.
- (9) A public transportation corporation under IC 36-9-4.
- (10) A commuter transportation district under IC 8-5-15.
- (11) The state.
- (12) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
- (13) A levee authority established under IC 14-27-6.
- (14) A county building authority under IC 36-9-13.
- (15) A soil and water conservation district established under IC 14-32.

(16) The northwestern Indiana regional planning commission

1 **established by IC 36-7-7.6-3.**

2 (b) As used in this section, "claim" means a bill or an invoice
3 submitted to a governmental entity for goods or services.

4 (c) The fiscal officer of a governmental entity may not draw a
5 warrant or check for payment of a claim unless:

6 (1) there is a fully itemized invoice or bill for the claim;

7 (2) the invoice or bill is approved by the officer or person
8 receiving the goods and services;

9 (3) the invoice or bill is filed with the governmental entity's fiscal
10 officer;

11 (4) the fiscal officer audits and certifies before payment that the
12 invoice or bill is true and correct; and

13 (5) payment of the claim is allowed by the governmental entity's
14 legislative body or the board or official having jurisdiction over
15 allowance of payment of the claim.

16 This subsection does not prohibit a school corporation, with prior
17 approval of the board having jurisdiction over allowance of payment of
18 the claim, from making payment in advance of receipt of services as
19 allowed by guidelines developed under IC 20-10.1-25-3. **This**
20 **subsection does not prohibit a municipality from making meal**
21 **expense advances to a municipal employee who will be traveling on**
22 **official municipal business if the municipal fiscal body has adopted**
23 **an ordinance allowing the advance payment, specifying the**
24 **maximum amount that may be paid in advance, specifying the**
25 **required invoices and other documentation that must be submitted**
26 **by the municipal employee, and providing for reimbursement from**
27 **the wages of the municipal employee if the municipal employee**
28 **does not submit the required invoices and documentation.**

29 (d) The fiscal officer of a governmental entity shall issue checks
30 or warrants for claims by the governmental entity that meet all of the
31 requirements of this section. The fiscal officer does not incur personal
32 liability for disbursements:

33 (1) processed in accordance with this section; and

34 (2) for which funds are appropriated and available.

35 (e) The certification provided for in subsection (c)(4) must be on
36 a form prescribed by the state board of accounts.

37 **SECTION 10. IC 5-11-14-1 IS AMENDED TO READ AS**
38 **FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this**
39 **section, "official" includes the following:**

40 (1) An elected official who is entitled to attend a conference
41 under this section.

42 (2) An individual elected to an office who is entitled to attend a
43 conference under this section.

44 (3) A deputy or an assistant to an elected official who is entitled
45 to attend a conference under this section.

46 (b) The state board of accounts shall annually call a conference of
47 each of the following:

48 (1) County auditors and auditors elect.

49 (2) County treasurers and treasurers elect.

50 (3) Circuit court clerks and circuit court clerks elect.

(c) Each of the conferences called under subsection (b):

- (1) must be held at a time and place fixed by the state examiner;
- (2) may be held statewide or by district; and
- (3) may not continue for longer than three (3) days in any one (1) year.

(d) The following training must be provided at each conference called under subsection (b):

- (1) The proper use of forms prescribed by the state board of accounts.
- (2) The keeping of the records of the respective offices.
- (3) At the conference for county treasurers and treasurers elect, investment training by the following:
 - (A) The treasurer of state.
 - (B) The board for depositories.
 - (C) Any other person the state examiner considers to be competent in providing investment training.
- (4) Any other training that, in the judgment of the state examiner, will result in the better conduct of the public business.

(e) The state examiner may hold other conferences for:

- (1) the officials described in subsection (b); or
- (2) other county, city, or township officers;

whenever in the judgment of the state examiner conferences are necessary.

(f) Whenever a conference is called by the state board of accounts under this section, an elected official, at the direction of the state examiner, may require the attendance of:

- (1) each of the elected official's appointed and acting chief deputies or chief assistants; and
- (2) if the number of deputies or assistants employed:
 - (A) does not exceed three (3), one (1) of the elected official's appointed and acting deputies or assistants; or
 - (B) exceeds three (3), two (2) of the elected official's duly appointed and acting deputies or assistants.

(g) Each official **representing the unit and** attending any conference under this section shall be allowed **the following:**

(1) A sum for mileage at a rate determined by the fiscal body of the unit the official represents for each mile necessarily traveled in going to and returning from the conference by the most expeditious route. ~~a sum for mileage at a rate determined by the fiscal body of the unit the official represents.~~ **Regardless of the duration of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance although the official transports more than one (1) person.**

~~(2) Each official shall also be allowed, while attending a conference called under this section,~~ An allowance for lodging for each night preceding conference attendance in an amount equal to the single room rate. However, lodging expense, in the case of a one (1) day conference, shall only be allowed for persons who reside fifty (50) miles or farther from the conference

location.

(3) Each official shall be reimbursed; Reimbursement of an official in an amount determined by the fiscal body of the unit the official represents, for meals purchased while attending a conference called under this section. ~~Regardless of the duration of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance although the official transports more than one (1) person.~~

(h) The state board of accounts shall certify the number of days of attendance and the mileage for each conference to each official attending any conference under this section.

(i) All payments of mileage and lodging shall be made by the proper disbursing officer in the manner provided by law on a duly verified claim or voucher to which shall be attached the certificate of the state board of accounts showing the number of days attended and the number of miles traveled. All payments shall be made from the general fund from any money not otherwise appropriated and without any previous appropriation being made therefor.

(j) A claim for reimbursement under this section may not be denied by the body responsible for the approval of claims if the claim complies with IC 5-11-10-1.6 and this section.

SECTION 11. IC 6-1.1-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The fiscal body of a consolidated city and county, not later than the last meeting of the fiscal body in September.

(2) The fiscal body of a ~~second class city~~, **municipality**, not later than September 30.

(3) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), not later than:

(A) the time required in section 5.6(b) of this chapter; or

(B) September 20 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(4) The proper officers of all other political subdivisions, not later than September 20.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition

1 must specifically identify the provisions of the budget, tax rate, and tax
2 levy to which the taxpayers object.

3 (c) If a petition is filed under subsection (b), the fiscal body of the
4 political subdivision shall adopt with its budget a finding concerning
5 the objections in the petition and any testimony presented at the
6 adoption hearing.

7 (d) This subsection does not apply to a school corporation. Each
8 year at least two (2) days before the first meeting of the county board
9 of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall
10 file with the county auditor:

11 (1) a statement of the tax rate and levy fixed by the political
12 subdivision for the ensuing budget year;

13 (2) two (2) copies of the budget adopted by the political
14 subdivision for the ensuing budget year; and

15 (3) two (2) copies of any findings adopted under subsection (c).

16 Each year the county auditor shall present these items to the county
17 board of tax adjustment at the board's first meeting.

18 (e) In a consolidated city and county and in a second class city, the
19 clerk of the fiscal body shall, notwithstanding subsection (d), file the
20 adopted budget and tax ordinances with the county board of tax
21 adjustment within two (2) days after the ordinances are signed by the
22 executive, or within two (2) days after action is taken by the fiscal body
23 to override a veto of the ordinances, whichever is later.

24 (f) If a fiscal body does not fix the budget, tax rate, and tax levy of
25 the political subdivisions for the ensuing budget year as required under
26 this section, the most recent annual appropriations and annual tax levy
27 are continued for the ensuing budget year.

28 SECTION 12. IC 6-1.1-12.4 IS ADDED TO THE INDIANA
29 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
30 [EFFECTIVE JULY 1, 2005]:

31 **Chapter 12.4. Deduction for Redevelopment or Rehabilitation**
32 **of Real Property in a Residential Redevelopment Area**

33 **Sec. 1. This chapter applies to:**

34 (1) a consolidated city; and

35 (2) a second class city that has established a residential
36 redevelopment area under IC 36-7-17.5.

37 **Sec. 2. As used in this chapter, "city" means:**

38 (1) a consolidated city; or

39 (2) a second class city.

40 **Sec. 3. As used in this chapter, "commission" refers to:**

41 (1) the metropolitan development commission in a
42 consolidated city; or

43 (2) a redevelopment commission in a second class city.

44 **Sec. 4. As used in this chapter, "property" means a residential**
45 **building or structure assessed as real property under IC 6-1.1-4.**
46 **The term does not include land.**

47 **Sec. 5. As used in this chapter, "redevelopment" means the**
48 **construction of a new residential structure in a residential**
49 **redevelopment area on:**

50 (1) unimproved land; or

(2) land on which a structure is demolished to allow for the construction of the new residential structure.

Sec. 6. As used in this chapter, "rehabilitation" means the remodeling, repair, or betterment of residential property in any manner or any enlargement or extension of property in which depreciable rehabilitation expenditures of at least twenty-five thousand dollars (\$25,000) are incurred.

Sec. 7. As used in this chapter, "residential redevelopment area" means an area established under IC 36-7-17.5.

Sec. 8. (a) If a commission has:

- (1) established a residential redevelopment area; and
- (2) included a property tax deduction as an incentive available in the residential redevelopment area under a redevelopment plan adopted under IC 36-7-17.5-9;

the county auditor shall deduct the amount determined under subsection (b) from the assessed value of a taxpayer's property that is located in the residential redevelopment area and has been redeveloped or rehabilitated.

(b) Subject to subsection (d), the amount deducted from the assessed value of the taxpayer's property under subsection (a) is equal to the product of:

- (1) the increase in the property's assessed value resulting from the rehabilitation or redevelopment of the property; multiplied by
- (2) the applicable percentage set forth in subsection (c).

(c) The percentage to be applied under subsection (b)(2) is as follows:

- (1) One hundred percent (100%) for the first three (3) years that the taxpayer claims a deduction for a particular property under this section.
- (2) Fifty percent (50%) for the fourth through sixth years that the taxpayer claims a deduction for a particular property under this section.
- (3) Forty percent (40%) for the seventh year that the taxpayer claims a deduction for a particular property under this section.
- (4) Thirty percent (30%) for the eighth year that the taxpayer claims a deduction for a particular property under this section.
- (5) Twenty percent (20%) for the ninth year that the taxpayer claims a deduction for a particular property under this section.
- (6) Ten percent (10%) for the tenth year that the taxpayer claims a deduction for a particular property under this section.

(d) The amount of the deduction determined under subsection (b) shall be adjusted:

- (1) to reflect the percentage increase or decrease in the property's assessed valuation that resulted from a general reassessment of real property occurring within the period of

1 the deduction; or

2 (2) to reflect the percentage decrease in the property's
3 assessed valuation that resulted from a successful appeal of
4 an assessment of the property occurring within the period of
5 the deduction.

6 (e) The department of local government finance shall adopt
7 rules under IC 4-22-2 to implement the adjustments required
8 under subsection (d).

9 (f) A deduction provided under this section terminates if the
10 property ceases to be used as residential property.

11 (g) The county auditor shall continue to make the assessed
12 value deduction provided under this section after the property is
13 transferred to another owner as long as the property is used as
14 residential property and the deduction period described in
15 subsection (c) has not expired.

16 **Sec. 9.** A property owner may not receive a deduction under
17 this chapter for repairs or improvements to real property if the
18 property owner receives a deduction under either IC 6-1.1-12-18 or
19 IC 6-1.1-12-22 for those same repairs or improvements.

20 **Sec. 10.** (a) For properties located within a residential
21 redevelopment area, the township assessor shall send a notice of
22 assessment to the commission at the same time the township
23 assessor sends a notice of assessment to the taxpayer under
24 IC 6-1.1-4-22.

25 (b) Not more than forty-five (45) days after receiving a notice
26 of assessment under subsection (a), the commission shall inform the
27 county auditor of the amount determined under section 8(b) of this
28 chapter.

29 **SECTION 13.** IC 6-1.1-24-1 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) ~~On or~~ Before
31 July ~~±~~ 2 of each year, the county treasurer shall certify to the county
32 auditor a list of real property on which any of the following exist:

33 (1) Any property taxes or special assessments certified to the
34 county auditor for collection by the county treasurer from the
35 prior year's spring installment or before are delinquent as
36 determined under IC 6-1.1-37-10.

37 (2) Any unpaid costs are due under section 2(b) of this chapter
38 from a prior tax sale.

39 **Failure of the county treasurer to certify the list before July 2 does**
40 **not invalidate an otherwise valid sale.**

41 (b) The county auditor shall maintain a list of all real property
42 eligible for sale. Unless the taxpayer pays to the county treasurer the
43 amounts in subsection (a), the taxpayer's property shall remain on the
44 list. The list must:

45 (1) describe the real property by parcel number and ~~common~~
46 ~~street~~ address, if any;

47 (2) for a tract or item of real property with a single owner,
48 indicate the name of the owner; and

49 (3) for a tract or item with multiple owners, indicate the name of
50 at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

SECTION 14. IC 6-1.1-24-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) This section applies to ~~a county having a consolidated city~~: **all counties**.

(b) As used in this section, "commission" means the following:

(1) The metropolitan development commission in a county containing a consolidated city.

(2) The county executive or the county executive's designee in a county not containing a consolidated city.

(3) A redevelopment commission that has established a residential redevelopment area under IC 36-7-17.5.

~~(b)~~ **(c)** The ~~metropolitan development~~ commission shall designate the real property on the list prepared under section 4.5(b) of this chapter that is eligible for listing on the list prepared under subsection ~~(d)~~: **(e)**.

~~(c)~~ **(d)** The commission may designate real property for inclusion on the list if the commission finds that the real property:

(1) is an unsafe premises as determined under IC 36-7-9 and is subject to:

(A) an order issued under IC 36-7-9; ~~or~~

(B) a notice of violation issued by the county's health and hospital corporation under IC 16-22-8 **in a county containing a consolidated city; or**

(C) a notice of violation issued by the county health department in a county not containing a consolidated city;

(2) is not being used as a residence or for a business enterprise; and

(3) is suitable for rehabilitation or development that will benefit or serve low or moderate income families.

~~(d)~~ **(e)** The commission shall prepare a list of properties designated under subsection ~~(b)~~ **(c)** and certify the list to the county auditor no later than sixty-one (61) days prior to the earliest date on which application for judgment and order for sale may be made.

~~(e)~~ **(f)** Upon receiving the list described in subsection ~~(d)~~: **(e)**, the county auditor shall:

(1) prepare a list of the properties certified by the commission; and

(2) delete any property described in that list from the delinquent tax list prepared under section 1 of this chapter.

~~(f)~~ **(g)** If the county auditor receives an owner's affidavit under section 4.1 of this chapter, the auditor shall, upon determining that the information contained in the affidavit is correct, remove the property from the list prepared under subsection ~~(e)~~ **(f)** and restore the property

1 to the list prepared under section 1 of this chapter.

2 SECTION 15. IC 6-1.1-24-2 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In addition to the
4 delinquency list required under section 1 of this chapter, each county
5 auditor shall prepare a notice. The notice shall contain the following:

6 (1) A list of tracts or real property eligible for sale under this
7 chapter.

8 (2) A statement that the tracts or real property included in the list
9 will be sold at public auction to the highest bidder, subject to the
10 right of redemption.

11 (3) A statement that the tracts or real property will not be sold for
12 an amount which is less than the sum of:

13 (A) the delinquent taxes and special assessments on each
14 tract or item of real property;

15 (B) the taxes and special assessments on each tract or item
16 of real property that are due and payable in the year of the
17 sale, whether or not they are delinquent;

18 (C) all penalties due on the delinquencies;

19 (D) an amount prescribed by the county auditor that equals
20 the sum of:

21 (i) twenty-five dollars (\$25) for postage and
22 publication costs; and

23 (ii) any other actual costs incurred by the county that
24 are directly attributable to the tax sale; and

25 (E) any unpaid costs due under subsection (b) from a prior
26 tax sale.

27 (4) A statement that a person redeeming each tract or item of real
28 property after the sale must pay:

29 (A) one hundred ten percent (110%) of the amount of the
30 minimum bid for which the tract or item of real property
31 was offered at the time of sale if the tract or item of real
32 property is redeemed not more than six (6) months after the
33 date of sale;

34 (B) one hundred fifteen percent (115%) of the amount of the
35 minimum bid for which the tract or item of real property
36 was offered at the time of sale if the tract or item of real
37 property is redeemed more than six (6) months after the date
38 of sale;

39 (C) the amount by which the purchase price exceeds the
40 minimum bid on the tract or item of real property plus ten
41 percent (10%) per annum on the amount by which the
42 purchase price exceeds the minimum bid; and

43 (D) all taxes and special assessments on the tract or item of
44 real property paid by the purchaser after the tax sale plus
45 interest at the rate of ten percent (10%) per annum on the
46 amount of taxes and special assessments paid by the
47 purchaser on the redeemed property.

48 (5) A statement for informational purposes only, of the location
49 of each tract or item of real property by key number, if any, and
50 street address, if any, or a common description of the property

other than a legal description. The township assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the ~~key number~~ or street address or **common description** does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

(i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and

(ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be filed with the court before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. Except as provided in section 5.5 of this chapter, the sale must take place on or after August 1 and before November 1 of each year.

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real

property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that **indicates the** tracts or items **that** will be sold together.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold ~~and may be redeemed~~ under this chapter only if the tract or item is sold ~~or redeemed~~ together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person. **Property sold together must be redeemed together.**

SECTION 16. IC 6-1.1-24-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.2. (a) This section applies to ~~a county having a consolidated city:~~ **all counties.**

(b) Whenever a notice required under section 2 of this chapter includes real property on the list prepared under ~~section 1.5(e)~~ **section 1.5(f)** of this chapter, the notice must also contain a statement that:

(1) the property is on the alternate list prepared under ~~section 1.5(e)~~ **section 1.5(f)** of this chapter;

(2) the owner of the property may file an affidavit with the county auditor no later than twenty (20) days following the date of the notice indicating that the residential structure located on the property is:

(A) habitable under state law and any ordinance of the political subdivision where the property is located; and

(B) has been occupied as a permanent residence for the six (6) month period preceding the date of the notice;

(3) if the auditor determines that the statements made in the affidavit are correct, the auditor will remove the property from the list prepared under ~~section 1.5(e)~~ **section 1.5(f)** of this chapter and restore the parcel to the delinquent tax list prepared under section 1 of this chapter;

(4) if the property is not redeemed within one hundred twenty (120) days after the date of sale the county auditor shall execute and deliver a deed for the property to the purchaser or

1 purchaser's assignee; and

2 (5) if the property is offered for sale and a bid is not received for
 3 at least the amount required under section 5 of this chapter, the
 4 county auditor may execute and deliver a deed for the property
 5 to:

6 **(A) if the property is under the jurisdiction of a**
 7 **purchasing agency under IC 36-7-17,** the purchasing
 8 agency; ~~under IC 36-7-17;~~

9 **(B) if the property is in an area designated as a**
 10 **residential redevelopment area under IC 36-7-17.5 by**
 11 **the metropolitan development commission, the**
 12 **metropolitan development commission; or**

13 **(C) if the property is in an area designated as a**
 14 **residential redevelopment area under IC 36-7-17.5 by a**
 15 **redemption commission, the redemption**
 16 **commission;**

17 subject to IC 6-1.1-25.

18 SECTION 17. IC 6-1.1-24-3 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) When real
 20 property is eligible for sale under this chapter, the county auditor shall
 21 post a copy of the notice required by sections 2 and 2.2 of this chapter
 22 at a public place of posting in the county courthouse or in another
 23 public county building at least twenty-one (21) days before the earliest
 24 date of application for judgment. In addition, the county auditor shall,
 25 in accordance with IC 5-3-1-4, publish the notice required in sections
 26 2 and 2.2 of this chapter once each week for three (3) consecutive
 27 weeks before the earliest date on which the application for judgment
 28 may be made. The expenses of this publication shall be paid out of the
 29 county general fund without prior appropriation.

30 **(b) Subject to subsection (d),** at least twenty-one (21) days before
 31 the application for judgment is made, the county auditor shall mail a
 32 copy of the notice required by sections 2 and 2.2 of this chapter by
 33 certified mail, return receipt requested, to any mortgagee who annually
 34 requests, by certified mail, a copy of the notice. However, the failure of
 35 the county auditor to mail this notice or its nondelivery does not affect
 36 the validity of the judgment and order.

37 **(c)** The advertisement published under section 4(b) of this chapter
 38 is considered sufficient notice of the intended application for judgment
 39 and of the sale of real property under the order of the court.

40 **(d) The county auditor is not required to mail the notice**
 41 **referred to in subsection (b) by certified mail to a person with a**
 42 **mailing address outside the United States.**

43 SECTION 18. IC 6-1.1-24-4 IS AMENDED TO READ AS
 44 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) **Subject to**
 45 **subsection (d),** not less than twenty-one (21) days before the earliest
 46 date on which the application for judgment and order for sale of real
 47 property eligible for sale may be made, the county auditor shall send a
 48 notice of the sale by certified mail to:

49 (1) the owner of record of real property with a single owner; or

50 (2) to at least one (1) of the owners of real property with multiple

1 owners;
 2 at the last address of the owner for the property as indicated in the
 3 records of the county auditor. The county auditor shall prepare the
 4 notice in the form prescribed by the state board of accounts. The notice
 5 must set forth the key number, if any, of the real property and a street
 6 address, if any, or other common description of the property other than
 7 a legal description. The notice must include the statement set forth in
 8 section 2(a)(4) of this chapter. The county auditor must present proof
 9 of this mailing to the court along with the application for judgment and
 10 order for sale. Failure by an owner to receive or accept the notice
 11 required by this section does not affect the validity of the judgment and
 12 order. The owner of real property shall notify the county auditor of the
 13 owner's correct address. The notice required under this section is
 14 considered sufficient if the notice is mailed to the address required by
 15 this section.

16 (b) ~~This subsection applies to a county having a consolidated city.~~
 17 In addition to the notice required under subsection (a) for real property
 18 on the list prepared under ~~section 1.5(e)~~ **section 1.5(f)** of this chapter,
 19 the county auditor shall prepare and mail the notice required under
 20 section 2.2 of this chapter no later than August 15 in the year in which
 21 the property is to be sold under this chapter.

22 (c) On or before the day of sale, the county auditor shall list, on the
 23 tax sale record required by IC 6-1.1-25-8, all properties that will be
 24 offered for sale.

25 **(d) The county auditor is not required to mail the notice**
 26 **referred to in subsection (a) by certified mail to a person with a**
 27 **mailing address outside the United States.**

28 SECTION 19. IC 6-1.1-24-4.1 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.1. (a) This section
 30 applies to ~~a county having a consolidated city~~ **all counties**.

31 (b) The owner of real property placed on the list prepared by the
 32 county auditor under ~~section 1.5(e)~~ **section 1.5(f)** of this chapter may
 33 file an affidavit with the county auditor no later than twenty (20) days
 34 after the date of the notice. The affidavit must state under affirmation
 35 that the residential structure located on the property:

- 36 (1) is habitable under state law and any ordinance of the political
- 37 subdivision where the property is located; and
- 38 (2) has been occupied as a permanent residence for the six (6)
- 39 month period preceding receipt of the notice.

40 (c) The county auditor may conduct a hearing to determine the
 41 accuracy of the statements made in the affidavit.

42 (d) If the county auditor determines that the statements made in the
 43 affidavit filed under subsection (b) are correct, the auditor shall remove
 44 the property from the list prepared under ~~section 1.5(e)~~ **section 1.5(f)**
 45 of this chapter and restore the property to the delinquent tax list
 46 prepared under section 1 of this chapter.

47 SECTION 20. IC 6-1.1-24-4.5 IS AMENDED TO READ AS
 48 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) The county
 49 auditor shall also provide those agencies under IC 36-7-17, in that
 50 county, with a list of tracts or items of real property on which one (1)

or more installments of taxes is delinquent by June 15 of the year following the date the delinquency occurred.

(b) ~~This subsection applies to a county having a consolidated city.~~ The county auditor shall prepare a list of tracts or items of real properties for which at least one (1) installment of taxes is delinquent at least ten (10) months. The auditor shall submit a copy of this list to the ~~metropolitan development~~ commission **(as defined in section 1.5 of this chapter)** no later than one hundred six (106) days prior to the date on which application for judgment and order for sale is made.

SECTION 21. IC 6-1.1-24-5.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.3. (a) This section applies to the following:

(1) A person who, **in the county in which a sale is held under this chapter**, owes:

(A) delinquent taxes;

(B) special assessments;

(C) penalties;

(D) interest; ~~or~~

(E) costs directly attributable to a prior tax sale;

(F) amounts from a final adjudication in favor of a political subdivision related to property;

(G) any civil penalties imposed for the violation of a building code or ordinance; or

(H) civil penalties imposed by a local health department related to property;

on a tract ~~or an item~~ of real property listed under section 1 of this chapter.

(2) A person to whom an order has been issued under IC 36-7-9.

~~(2)~~ **(3) A person who is an agent of the person described in subdivision (1) or (2).**

(b) A person subject to this section may not purchase a tract ~~or an item of real property or a certificate of sale~~ offered for sale under section 5, ~~or 5.5, or 6.1~~ of this chapter.

(c) If a person purchases a tract ~~or an item of real property or a certificate of sale~~ that the person was not eligible to purchase under this section, the sale of the property ~~or certificate~~ is void. The county treasurer shall apply the amount of the person's bid to the person's delinquent taxes, **special assessments, penalties, interest, amounts owed from final adjudication in favor of a political subdivision, and civil penalties**, and offer the **tract or item of real property or certificate** for sale again under this chapter.

SECTION 22. IC 6-1.1-24-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) The county commissioners may:

(1) by resolution, identify properties:

(A) that are described in section 6.7(a) of this chapter; and

(B) concerning which the county commissioners desire to offer to the public the certificates of sale acquired by the county under section 6 of this chapter;

(2) publish notice in accordance with IC 5-3-1 of the date, time, and place for a public sale of the certificates of sale that is not earlier than ninety (90) days after the last date the notice is published; and

(3) sell each certificate of sale covered by the resolution for a price that:

(A) is less than the minimum sale price prescribed by section 5(e) of this chapter **for which the tract or item of real property was last offered for sale; and**

(B) includes any costs to the county directly attributable to the sale of the certificate of sale.

(b) Notice of the list of properties prepared under subsection (a) and the date, time, and place for the public sale of the certificates of sale shall be published in accordance with IC 5-3-1. The notice must:

(1) include a description of the property by parcel number and common address;

(2) specify that the county commissioners will accept bids for the certificates of sale for the price referred to in subsection (a)(3);

(3) specify the minimum bid for each parcel;

(4) include a statement that a person redeeming each tract or item of real property after the sale of the certificate must pay:

(A) the amount of the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale;

(B) ten percent (10%) of the amount for which the certificate is sold;

(C) the attorney's fees and costs of giving notice under IC 6-1.1-25-4.5;

(D) the costs of a title search or of examining and updating the abstract of title for the tract or item of real property; ~~and~~

(E) all taxes and special assessments on the tract or item of real property paid by the purchaser after the sale of the certificate plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property; **and**

(F) the costs of expenditures made by the purchaser in taking any action under section 9(d) of this chapter; and

(5) include a statement that, if the certificate is sold for an amount more than the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

SECTION 23. IC 6-1.1-24-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) This section applies to ~~a county having a consolidated city:~~ **all counties.**

(b) Whenever real property on the list prepared under section 1.5 of this chapter:

(1) is offered for sale under this chapter; and

(2) does not receive a bid for at least the amount required under section 5 of this chapter;
the auditor shall notify the ~~metropolitan development~~ commission (**as defined in section 1.5 of this chapter**) that the real property has been offered for sale under this chapter and that an adequate bid has not been received.

(c) This subsection does not apply to property described under subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The ~~metropolitan development~~ commission shall, within a reasonable time after receiving notice under subsection (b), identify any property described under subsection (b) that the ~~metropolitan development~~ commission desires to acquire for urban homesteading under IC 36-7-17 or redevelopment purposes under **IC 36-7-14 or IC 36-7-15.1**. The ~~metropolitan development~~ commission shall then provide the county auditor with a list of the properties identified under this subsection.

(d) This subsection applies only to property described under subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The redevelopment commission shall, within a reasonable time after receiving notice under subsection (b), identify any property described in subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The redevelopment commission shall then provide the county auditor with a list of the properties identified under this subsection.

~~(d)~~ **(e)** The county auditor shall execute and deliver a deed for any property identified under subsection (c) **or (d)** to the ~~metropolitan development~~ **appropriate** commission, subject to IC 6-1.1-25. Properties identified under subsection (c) **or (d)** but not acquired by the ~~metropolitan development~~ **appropriate** commission shall be restored to the delinquent list prepared under section 1 of this chapter.

~~(e)~~ **(f)** The county acquires a lien under section 6 of this chapter for any property that is:

- (1) not identified under subsection (c) **or (d)**; and
- (2) offered for sale under this chapter for two (2) consecutive sales.

~~(f)~~ **(g)** The ~~metropolitan development~~ commission may not pay for any property acquired under subsection ~~(d)~~ **(e)**. However, a taxing unit having an interest in the taxes on the real property shall be credited with the full amount of the delinquent tax due to that unit.

SECTION 24. IC 6-1.1-24-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.7. (a) After each tax sale conducted under this chapter, the county auditor shall prepare and deliver to the county commissioners a list of all properties:

- (1) that have been offered for sale in two (2) consecutive tax sales;
- (2) that have not received a bid for at least the amount required under section 5 of this chapter;
- (3) that are not subject to the provisions of section 6.5 of this

- chapter;
- (4) that are not located in a residential redevelopment area designated under IC 36-7-17.5;**
- ~~(4)~~ **(5)** on which the county has acquired a lien under section 6 of this chapter; and
- ~~(5)~~ **(6)** for which the county is eligible to take title.
- (b) The county commissioners shall:
- (1) by resolution, identify the property described under subsection (a) that the county commissioners desire to transfer to a nonprofit corporation for use for the public good; and
 - (2) set a date, time, and place for a public hearing to consider the transfer of the property to a nonprofit corporation.
- (c) Notice of the list prepared under subsection (b) and the date, time, and place for the hearing on the proposed transfer of the property on the list shall be published in accordance with IC 5-3-1. The notice must include a description of the property by:
- (1) legal description; and
 - (2) parcel number or street address, or both.
- The notice must specify that the county commissioners will accept applications submitted by nonprofit corporations as provided in subsection (f) and hear any opposition to a proposed transfer.
- (d) After the hearing set under subsection (b), the county commissioners shall by resolution make a final determination concerning:
- (1) the properties that are to be transferred to a nonprofit corporation;
 - (2) the nonprofit corporation to which each property is to be transferred; and
 - (3) the terms and conditions of the transfer.
- (e) This subsection applies only to a county having a consolidated city. The resolution of the county commissioners prepared under subsection (d) shall be forwarded to the county executive for approval. The county executive may remove any properties from the list of properties to be transferred that is prepared under subsection (d). The final list of properties to be transferred to nonprofit corporations shall be approved by the county executive and returned to the county commissioners.
- (f) To be eligible to receive property under this section, a nonprofit corporation must file an application with the county commissioners. The application must state the property that the corporation desires to acquire, the use to be made of the property, and the time period anticipated for implementation of the use. The application must be accompanied by documentation verifying the nonprofit status of the corporation and be signed by an officer of the corporation. If more than one (1) application for a single property is filed, the county commissioners shall determine which application is to be accepted based on the benefit to be provided to the public and the neighborhood and the suitability of the stated use for the property and the surrounding area.
- (g) After the hearing set under subsection (b) and the final

determination of properties to be transferred under subsection (d) or (e), whichever is applicable, the county commissioners, on behalf of the county, shall cause all delinquent taxes, special assessments, penalties, interest, and costs of sale to be removed from the tax duplicate and the county auditor to prepare a deed transferring the property to the nonprofit corporation. The deed shall provide for:

- (1) the use to be made of the property;
- (2) the time within which the use must be implemented and maintained;
- (3) any other ~~term~~ **terms** and conditions that are established by the county commissioners; and
- (4) the reversion of the property to the county if the grantee nonprofit corporation fails to comply with the terms and conditions.

If the grantee nonprofit corporation fails to comply with the terms and conditions of the transfer and title to the property reverts to the county, the property may be retained by the county or disposed of under any of the provisions of this chapter. ~~or IC 6-1.1-24, or both.~~

SECTION 25. IC 6-1.1-24-6.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 6.8. (a) This section applies to:**

- (1) a county having a consolidated city; and**
- (2) a county having a second class city that has established a residential redevelopment area under IC 36-7-17.5.**

(b) As used in this section, "commission" means:

- (1) the metropolitan development commission in a county having a consolidated city; or**
- (2) a redevelopment commission that has established a residential redevelopment area under IC 36-7-17.5.**

(c) After each tax sale conducted under this chapter, the county auditor shall prepare and deliver to the commission a list of all properties within a residential redevelopment area in the county:

- (1) that have been offered for sale in two (2) consecutive tax sales;**
- (2) that have not received a bid for at least the amount required under section 5 of this chapter;**
- (3) that are not subject to section 6.5 of this chapter;**
- (4) on which the county has acquired a lien under section 6 of this chapter; and**
- (5) for which the county is eligible to take title.**

(d) The commission shall:

- (1) by resolution, identify and prepare a list of the properties described under subsection (c) that the commission desires to transfer to an eligible entity, as described under subsection (g), for the public good; and**
- (2) set a date, time, and place for a public hearing to consider the transfer of the property to an eligible entity under subsection (h).**

(e) Notice of the list prepared under subsection (d) and the

1 date, time, and place for the hearing on the proposed transfer of
 2 property on the list shall be published in accordance with IC 5-3-1.
 3 The notice must include a description of the property by:

- 4 (1) legal description; and
- 5 (2) either:
 - 6 (A) parcel number; or
 - 7 (B) street address.

8 The notice must specify that the commission will accept
 9 applications submitted by eligible entities under subsection (g) that
 10 pledge to develop the property in accordance with a residential
 11 redevelopment plan under IC 36-7-17.5-9 and hear any opposition
 12 to a proposed transfer.

13 (f) After the hearing set under subsection (d), the commission
 14 shall by resolution make a final determination concerning:

- 15 (1) the properties that are to be transferred to an eligible
 16 entity under subsection (h);
- 17 (2) the eligible entity under subsection (g) to which each
 18 property is transferred; and
- 19 (3) the terms and conditions of the transfer.

20 (g) To be an eligible entity that may receive property under
 21 this section, an entity must file an application with the commission.
 22 The application must identify:

- 23 (1) the property that the entity desires to acquire;
- 24 (2) the use to be made of the property that is in accordance
 25 with the residential redevelopment plan under
 26 IC 36-7-17.5-9; and
- 27 (3) the period anticipated for implementation of the use
 28 identified under subdivision (2).

29 The application must be accompanied by documentation of the
 30 financial status of the entity, the relevant experience of the entity
 31 in developing similar property, and any other information required
 32 by the commission. The application must be signed by an individual
 33 authorized to sign for the entity. If more than one (1) application
 34 for a single property is filed, the commission shall determine which
 35 application is in the best interest of the public and the
 36 neighborhood. In making the determination, the commission shall
 37 consider the suitability of the use of the property proposed in each
 38 application for the property and the surrounding area.

39 (h) After the hearing set under subsection (d) and the final
 40 determination of properties to be transferred under subsection (f),
 41 the county commissioners (or in a consolidated city, the city-county
 42 council), on behalf of the county, shall cause all delinquent taxes,
 43 special assessments, penalties, interest, and costs of sale to be
 44 removed from the tax duplicate and the county auditor to prepare
 45 a deed transferring the property to the eligible entity. The deed
 46 must provide for:

- 47 (1) the use to be made of the property;
- 48 (2) the time within which the use must be implemented and
 49 maintained;
- 50 (3) any other terms and conditions that are established by the

1 **commission; and**

2 **(4) the reversion of the property to the commission if the**
 3 **grantee eligible entity fails to comply with the terms and**
 4 **conditions.**

5 **If the grantee eligible entity fails to comply with the terms and**
 6 **conditions of the transfer and title to the property reverts to the**
 7 **commission, the property may be retained by the county or**
 8 **disposed of under this chapter.**

9 SECTION 26. IC 6-1.1-24-7 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) When real
 11 property is sold under this chapter, the purchaser at the sale shall
 12 immediately pay the amount of the bid to the county treasurer. The
 13 county treasurer shall apply the payment in the following manner:

14 (1) first, to the taxes, special assessments, penalties, and costs
 15 described in section 5(e) of this chapter;

16 (2) second, to other delinquent property taxes in the manner
 17 provided in IC 6-1.1-23-5(b); and

18 (3) third, to a separate "tax sale surplus fund".

19 (b) The:

20 (1) owner of record of the real property at the time the tax deed
 21 is issued who is divested of ownership by the issuance of a tax
 22 deed; or

23 (2) tax sale purchaser or purchaser's assignee, upon redemption
 24 of the tract or item of real property;

25 may file a verified claim for money which is deposited in the tax sale
 26 surplus fund. If the claim is approved by the county auditor and the
 27 county treasurer, the county auditor shall issue a warrant to the claimant
 28 for the amount due.

29 (c) If the person described in subsection (b)(1) acquired the
 30 property from a delinquent taxpayer after the property was sold at a tax
 31 sale under this chapter, the county auditor may not issue a warrant to
 32 the person **under subsection (b)** unless:

33 **(1) the person is named on a tax sale surplus fund disclosure**
 34 **form filed with the county auditor under IC 32-21-8; files a**
 35 **verified petition with the court; and**

36 **(2) the court:**

37 **(A) holds a hearing on the matter; and**

38 **(B) issues an order to the county auditor to issue the**
 39 **warrant.**

40 (d) An amount deposited in the tax sale surplus fund shall be
 41 transferred by the county auditor to the county general fund and may
 42 not be disbursed under subsection (b) if it is not claimed within the
 43 three (3) year period after the date of its receipt.

44 (e) If an amount applied to taxes under this section is later paid out
 45 of the county general fund to the purchaser or the purchaser's successor
 46 due to the invalidity of the sale, all the taxes shall be reinstated and
 47 recharged to the tax duplicate and collected in the same manner as if the
 48 property had not been offered for sale.

49 (f) When a refund is made to any purchaser or purchaser's
 50 successor by reason of the invalidity of a sale, the county auditor shall,

at the December settlement immediately following the refund, deduct the amount of the refund from the gross collections in the taxing district in which the land lies and shall pay that amount into the county general fund.

SECTION 27. IC 6-1.1-24-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Immediately after a tax sale purchaser pays the bid, as evidenced by the receipt of the county treasurer, or immediately after the county acquires a lien under section 6 of this chapter, the county auditor shall deliver a certificate of sale to the purchaser or to the county or to the city. The certificate shall be signed by the auditor and registered in the auditor's office. The certificate shall contain:

- (1) a description of real property that corresponds to the description used on the notice of sale;
- (2) the name of:
 - (A) the owner of record at the time of the sale of real property with a single owner; or
 - (B) at least one (1) of the owners of real property with multiple owners;
- (3) the mailing address of the owner of the real property sold as indicated in the records of the county auditor;
- (4) the name of the purchaser;
- (5) the date of sale;
- (6) the amount for which the real property was sold;
- (7) the amount of the minimum bid for which the tract or real property was offered at the time of sale as required by section 5 of this chapter;
- (8) the date when the period of redemption specified in IC 6-1.1-25-4 will expire;
- (9) the court cause number under which judgment was obtained; and
- (10) the street address, if any, or common description of the real property.

(b) When a certificate of sale is issued under this section, the purchaser acquires a lien against the real property for the entire amount paid. The lien of the purchaser is superior to all liens against the real property ~~which exist at the time the certificate is issued.~~ **except:**

- (1) a lien granted priority under federal law; and**
- (2) the lien of the state or a political subdivision for taxes and special assessments that accrue after the sale.**

(c) A certificate of sale is assignable. However, an assignment is not valid unless it is endorsed on the certificate of sale, acknowledged before an officer authorized to take acknowledgments of deeds, and registered in the office of the county auditor. When a certificate of sale is assigned, the assignee acquires the same rights and obligations that the original purchaser acquired.

(d) After a certificate of sale is issued to a purchaser under section 4 of this chapter for a property listed according to section 1.5 of this chapter, the purchaser may do any of the following:

- (1) Inspect the property.**

(2) Perform any repair necessary to satisfy an order issued under IC 36-7-9.

(3) Perform any act necessary to abate a public nuisance.

(e) If a purchaser takes any action under subsection (d), the purchaser must provide notice to the owner of record listed on the certificate of sale under subsection (a)(2) and to the county auditor. The notice must include an itemized list of expenditures made by the purchaser in taking an action under subsection (d).

SECTION 28. IC 6-1.1-25-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The total amount of money required for the redemption of real property equals:

(1) the sum of the amounts prescribed in subsections (b) through (e); or

(2) the amount prescribed in subsection (f);

reduced by any amounts held in the name of the taxpayer or the purchaser in the tax sale surplus fund.

(b) Except as provided in subsection (f), the total amount required for redemption includes:

(1) one hundred ten percent (110%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed not more than six (6) months after the date of sale; or

(2) one hundred fifteen percent (115%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed more than six (6) months but not more than one (1) year after the date of sale.

(c) Except as provided in subsection (f), in addition to the amount required under subsection (b), the total amount required for redemption includes the amount by which the purchase price exceeds the minimum bid on the real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid on the property.

(d) Except as provided in subsection (f), in addition to the amount required under subsections (b) and (c), the total amount required for redemption includes all taxes and special assessments upon the property paid by the purchaser after the sale plus ten percent (10%) interest per annum on those taxes and special assessments.

(e) Except as provided in subsection (f), in addition to the amounts required under subsections (b), (c), and (d), the total amount required for redemption includes the following costs, if certified before redemption by the payor to the county auditor on a form prescribed by the state board of accounts, that were incurred and paid by the purchaser, the purchaser's assignee, or the county, before redemption:

(1) The attorney's fees and costs of giving notice under section 4.5 of this chapter.

(2) The costs of a title search or of examining and updating the abstract of title for the tract or item of real property.

(3) The costs of expenditures made by the purchaser in taking any action under IC 6-1.1-24-9(d).

For purposes of this subsection, costs of giving notice means costs for postage, certified mailing, and publication.

(f) With respect to a tract or item of real property redeemed under section 4(c) of this chapter, instead of the amounts stated in subsections (b) through (e), the total amount required for redemption is the amount determined under IC 6-1.1-24-6.1(b)(4).

SECTION 29. IC 6-1.1-25-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. **(a) Except as provided in subsection (b),** when real property is redeemed and the certificate of sale is surrendered to the county auditor, the auditor shall issue a warrant to the:

(1) purchaser; **or**

(2) purchaser's assignee; ~~or~~

~~(3) purchaser of the certificate of sale under IC 6-1.1-24;~~

in an amount equal to the amount received by the county treasurer for redemption. The county auditor shall ~~indorse~~ **endorse** the certificate and preserve it as a public record. If a certificate of sale is lost and the auditor is satisfied that the certificate did exist, the county auditor may make payment in the manner provided in this section.

(b) When real property sold under IC 6-1.1-24-6.1 is redeemed and the certificate of sale is surrendered to the county auditor, the county auditor shall issue a warrant to the purchaser of the certificate of sale, or the purchaser's assignee, in an amount equal to the remainder of:

(1) the amount received by the county treasurer for redemption; minus

(2) the remainder of:

(A) the amount of the minimum bid under IC 6-1.1-24-5(e) for which the tract or item of real property was last offered for sale; and

(B) the amount for which the certificate of sale was sold.

SECTION 30. IC 6-1.1-25-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The period for redemption of real property sold under IC 6-1.1-24 is:

(1) one (1) year after the date of sale **for a taxpayer who is eligible to claim the homestead credit for property taxes owed on the real property under IC 6-1.1-20.9;**

(2) one hundred twenty (120) days after the date of sale to a purchasing agency qualified under IC 36-7-17;

(3) one hundred twenty (120) days after the date of sale of real property on the list prepared under IC 6-1.1-24-1.5; ~~or~~

(4) one hundred twenty (120) days after the date of sale under IC 6-1.1-24-5.5(b); **or**

(5) except as provided in subdivisions (2) through (4), one hundred eighty (180) days after the date of sale for a taxpayer who is not eligible to claim the homestead credit for property taxes on the real property under IC 6-1.1-20.9, if the county executive, in a county not containing a consolidated city, or the county legislative body, in a county containing a consolidated city, has adopted an ordinance to

1 **have this subdivision apply to the county.**

2 (b) The period for redemption of real property:

3 (1) on which the county acquires a lien under IC 6-1.1-24-6; and

4 (2) for which the certificate of sale is not sold under
5 IC 6-1.1-24-6.1;

6 is one hundred twenty (120) days after the date the county acquires the
7 lien under IC 6-1.1-24-6.

8 (c) The period for redemption of real property:

9 (1) on which the county acquires a lien under IC 6-1.1-24-6; and

10 (2) for which the certificate of sale is sold under IC 6-1.1-24;
11 is one hundred twenty (120) days after the date of sale of the certificate
12 of sale under IC 6-1.1-24.

13 (d) When a deed for real property is executed under this chapter,
14 the county auditor shall cancel the certificate of sale and file the
15 canceled certificate in the office of the county auditor. If real property
16 that appears on the list prepared under IC 6-1.1-24-1.5 is offered for
17 sale and an amount that is at least equal to the minimum sale price
18 required under IC 6-1.1-24-5(e) is not received, the county auditor shall
19 issue a deed to the real property in the manner provided in
20 IC 6-1.1-24-6.5.

21 (e) When a deed is issued to a county under this chapter, the taxes
22 and special assessments for which the real property was offered for
23 sale, and all subsequent taxes, special assessments, interest, penalties,
24 and cost of sale shall be removed from the tax duplicate in the same
25 manner that taxes are removed by certificate of error.

26 (f) A tax deed executed under this chapter vests in the grantee an
27 estate in fee simple absolute, free and clear of all liens and
28 encumbrances created or suffered before or after the tax sale except
29 those liens granted priority under federal law and the lien of the state
30 or a political subdivision for taxes and special assessments which
31 accrue subsequent to the sale and which are not removed under
32 subsection (e). However, the estate is subject to:

33 (1) all easements, covenants, declarations, and other deed
34 restrictions shown by public records;

35 (2) laws, ordinances, and regulations concerning governmental
36 police powers, including zoning, building, land use,
37 improvements on the land, land division, and environmental
38 protection; and

39 (3) liens and encumbrances created or suffered by the grantee.

40 (g) A tax deed executed under this chapter is prima facie evidence
41 of:

42 (1) the regularity of the sale of the real property described in the
43 deed;

44 (2) the regularity of all proper proceedings; and

45 (3) valid title in fee simple in the grantee of the deed.

46 (h) A county auditor is not required to execute a deed to the county
47 under this chapter if the county executive determines that the property
48 involved contains hazardous waste or another environmental hazard for
49 which the cost of abatement or alleviation will exceed the fair market
50 value of the property. The county may enter the property to conduct

1 environmental investigations.

2 (i) If the county executive makes the determination under
3 subsection (h) as to any interest in an oil or gas lease or separate
4 mineral rights, the county treasurer shall certify all delinquent taxes,
5 interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk,
6 following the procedures in IC 6-1.1-23-9. After the date of the county
7 treasurer's certification, the certified amount is subject to collection as
8 delinquent personal property taxes under IC 6-1.1-23. Notwithstanding
9 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an
10 interest shall be zero (0) until production commences.

11 (j) When a deed is issued to a purchaser of a certificate of sale sold
12 under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that
13 taxes are removed by certificate of error, remove from the tax duplicate
14 the taxes, special assessments, interest, penalties, and costs remaining
15 due as the difference between the amount of the last minimum bid
16 under IC 6-1.1-24-5(e) and the amount paid for the certificate of sale.

17 SECTION 31. IC 6-1.1-25-4.5 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) Except as
19 provided in subsection (d), a purchaser or the purchaser's assignee is
20 entitled to a tax deed to the property that was sold only if:

21 (1) the redemption period specified in section 4(a)(1) **or 4(a)(5),**
22 **as applicable,** of this chapter has expired;

23 (2) the property has not been redeemed within the period of
24 redemption specified in section 4(a) of this chapter; and

25 (3) not later than nine (9) months after the date of the sale:

26 (A) the purchaser or the purchaser's assignee; or

27 (B) in a county where the county auditor and county
28 treasurer have an agreement under section 4.7 of this
29 chapter, the county auditor;

30 gives notice of the sale to the owner of record at the time of the
31 sale and any person with a substantial property interest of public
32 record in the tract or real property.

33 (b) A county is entitled to a tax deed to property on which the
34 county acquires a lien under IC 6-1.1-24-6 and for which the certificate
35 of sale is not sold under IC 6-1.1-24-6.1 only if:

36 (1) the redemption period specified in section 4(b) of this chapter
37 has expired;

38 (2) the property has not been redeemed within the period of
39 redemption specified in section 4(b) of this chapter; and

40 (3) not later than ninety (90) days after the date the county
41 acquires the lien under IC 6-1.1-24-6, the county auditor gives
42 notice of the sale to:

43 (A) the owner of record at the time the lien was acquired;
44 and

45 (B) any person with a substantial property interest of public
46 record in the tract or real property.

47 (c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is
48 entitled to a tax deed to the property for which the certificate was sold
49 only if:

50 (1) the redemption period specified in section 4(c) of this chapter

- 1 has expired;
- 2 (2) the property has not been redeemed within the period of
- 3 redemption specified in section 4(c) of this chapter; and
- 4 (3) not later than ninety (90) days after the date of sale of the
- 5 certificate of sale under IC 6-1.1-24, the purchaser gives notice
- 6 of the sale to:
 - 7 (A) the owner of record at the time of the sale; and
 - 8 (B) any person with a substantial property interest of public
 - 9 record in the tract or real property.
- 10 (d) A purchaser or the purchaser's assignee is entitled to a tax deed
- 11 to the property that was sold under IC 6-1.1-24-5.5(b) only if:
 - 12 (1) the redemption period specified in section 4(a)(4) of this
 - 13 chapter has expired;
 - 14 (2) the property has not been redeemed within the period of
 - 15 redemption specified in section 4(a)(4) of this chapter; and
 - 16 (3) not later than ninety (90) days after the date of the sale, the
 - 17 purchaser or the purchaser's assignee gives notice of the sale to:
 - 18 (A) the owner of record at the time of the sale; and
 - 19 (B) any person with a substantial property interest of public
 - 20 record in the tract or real property.
- 21 (e) **Subject to subsection (l)**, the person required to give the notice
- 22 under subsection (a), (b), ~~or~~ (c), **or (d)** shall give the notice by sending
- 23 a copy of the notice by certified mail to:
 - 24 (1) the owner of record at the time of the:
 - 25 (A) sale of the property;
 - 26 (B) acquisition of the lien on the property under
 - 27 IC 6-1.1-24-6; or
 - 28 (C) sale of the certificate of sale on the property under
 - 29 IC 6-1.1-24;
 - 30 at the last address of the owner for the property, as indicated in
 - 31 the records of the county auditor; and
 - 32 (2) any person with a substantial property interest of public
 - 33 record at the address for the person included in the public record
 - 34 that indicates the interest.
- 35 However, if the address of the person with a substantial property
- 36 interest of public record is not indicated in the public record that created
- 37 the interest **or the address indicated is no longer valid** and a **valid**
- 38 **address** cannot be located by ordinary means by the person required to
- 39 give the notice under subsection (a), (b), ~~or~~ (c), **or (d)**, the person may
- 40 give notice by publication in accordance with IC 5-3-1-4 once each
- 41 week for three (3) consecutive weeks.
- 42 (f) The notice that this section requires shall contain at least the
- 43 following:
 - 44 (1) A statement that a petition for a tax deed will be filed on or
 - 45 after a specified date.
 - 46 (2) The date on or after which the petitioner intends to petition
 - 47 for a tax deed to be issued.
 - 48 (3) A description of the tract or real property shown on the
 - 49 certificate of sale.
 - 50 (4) The date the tract or real property was sold at a tax sale.

- 1 (5) The name of the:
 - 2 (A) purchaser or purchaser's assignee;
 - 3 (B) county that acquired the lien on the property under
 - 4 IC 6-1.1-24-6; or
 - 5 (C) person that purchased the certificate of sale on the
 - 6 property under IC 6-1.1-24.
- 7 (6) A statement that any person may redeem the tract or real
- 8 property.
- 9 (7) The components of the amount required to redeem the tract
- 10 or real property.
- 11 (8) A statement that an entity identified in subdivision (5) is
- 12 entitled to reimbursement for additional taxes or special
- 13 assessments on the tract or real property that were paid by the
- 14 entity subsequent to the tax sale, lien acquisition, or purchase of
- 15 the certificate of sale, and before redemption, plus interest.
- 16 (9) A statement that the tract or real property has not been
- 17 redeemed.
- 18 (10) A statement that an entity identified in subdivision (5) is
- 19 entitled to receive a deed for the tract or real property if it is not
- 20 redeemed before the expiration of the period of redemption
- 21 specified in section 4 of this chapter.
- 22 (11) A statement that an entity identified in subdivision (5) is
- 23 entitled to reimbursement for costs described in section 2(e) of
- 24 this chapter.
- 25 (12) The date of expiration of the period of redemption specified
- 26 in section 4 of this chapter.
- 27 (13) A statement that if the property is not redeemed, the owner
- 28 of record at the time the tax deed is issued may have a right to
- 29 the tax sale surplus, if any.
- 30 (14) The street address, if any, or a common description of the
- 31 tract or real property.
- 32 (15) The key number or parcel number of the tract or real
- 33 property.
- 34 (g) The notice under this section must include not more than one
- 35 (1) tract or item of real property listed and sold in one (1) description.
- 36 However, when more than one (1) tract or item of real property is
- 37 owned by one (1) person, all of the tracts or real property that are
- 38 owned by that person may be included in one (1) notice.
- 39 (h) A single notice under this section may be used to notify joint
- 40 owners of record at the last address of the joint owners for the property
- 41 sold, as indicated in the records of the county auditor.
- 42 (i) The notice required by this section is considered sufficient if the
- 43 notice is mailed to the address required under subsection (e).
- 44 (j) The notice under this section and the notice under section 4.6
- 45 of this chapter are not required for persons in possession not shown in
- 46 the public records.
- 47 (k) If the purchaser **of a certificate of sale under IC 6-1.1-24-6.1**
- 48 fails to:
 - 49 (1) comply with subsection (c)(3); or
 - 50 (2) **file a** petition for the issuance of a tax deed within the time

permitted under section 4.6(a) of this chapter;
the certificate of sale reverts to the county and may be retained by the
county or sold under IC 6-1.1-24-6.1.

**(l) A person is not required to mail the notice referred to in
subsection (e) by certified mail to a person with a mailing address
outside the United States.**

SECTION 32. IC 6-1.1-25-4.6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.6. (a) After the
expiration of the redemption period specified in section 4 of this chapter
but not later than six (6) months after the expiration of the period of
redemption:

(1) the purchaser, the purchaser's assignee, the county, or the
purchaser of the certificate of sale under IC 6-1.1-24 may; or

(2) in a county where the county auditor and county treasurer
have an agreement under section 4.7 of this chapter, the county
auditor shall, upon the request of the purchaser or the purchaser's
assignee;

file a verified petition in the same court and under the same cause
number in which the judgment of sale was entered asking the court to
direct the county auditor to issue a tax deed if the real property is not
redeemed from the sale. Notice of the filing of this petition shall be
given to the same parties and ~~in the same manner as provided in by the~~
method by which notice is given under section 4.5 of this chapter,
except that, if notice is given by publication, only one (1) publication
is required. The notice required by this section is considered sufficient
if the notice is sent to the address required by section 4.5(e) of this
chapter. Any person owning or having an interest in the tract or real
property may file a written objection to the petition with the court not
later than thirty (30) days after the date the petition was filed. If a
written objection is timely filed, the court shall conduct a hearing on the
objection.

(b) Not later than sixty-one (61) days after the petition is filed
under subsection (a), the court shall enter an order directing the county
auditor (on the production of the certificate of sale and a copy of the
order) to issue to the petitioner a tax deed if the court finds that the
following conditions exist:

(1) The time of redemption has expired.

(2) The tract or real property has not been redeemed from the
sale before the expiration of the period of redemption specified
in section 4 of this chapter.

(3) Except with respect to a petition for the issuance of a tax deed
under a sale of the certificate of sale on the property under
IC 6-1.1-24-6.1, all taxes and special assessments, penalties, and
costs have been paid.

(4) The notices required by this section and section 4.5 of this
chapter have been given.

(5) The petitioner has complied with all the provisions of law
entitling the petitioner to a deed.

The county auditor shall execute deeds issued under this subsection in
the name of the state under the county auditor's name. If a certificate of

1 sale is lost before the execution of a deed, the county auditor shall issue
 2 a replacement certificate if the county auditor is satisfied that the
 3 original certificate existed.

4 (c) Upon application by the grantee of a valid tax deed in the same
 5 court and under the same cause number in which the judgment of sale
 6 was entered, the court shall enter an order to place the grantee of a valid
 7 tax deed in possession of the real estate. The court may enter any orders
 8 and grant any relief that is necessary or desirable to place or maintain
 9 the grantee of a valid tax deed in possession of the real estate.

10 (d) Except as provided in subsections (e) and (f), if the court
 11 refuses to enter an order directing the county auditor to execute and
 12 deliver the tax deed because of the failure of the petitioner under
 13 subsection (a) to fulfill the requirements of this section, the court shall
 14 order the return of the purchase price minus a penalty of twenty-five
 15 percent (25%) of the amount of the purchase price. Penalties paid under
 16 this subsection shall be deposited in the county general fund.

17 (e) Notwithstanding subsection (d), in all cases in which:

18 (1) the petitioner under subsection (a) has made a bona fide
 19 attempt to comply with the statutory requirements under
 20 subsection (b) for the issuance of the tax deed but has failed to
 21 comply with these requirements; and

22 (2) the court refuses to enter an order directing the county auditor
 23 to execute and deliver the tax deed because of the failure to
 24 comply with these requirements;

25 the county auditor shall not execute the deed but shall refund the
 26 purchase money plus six percent (6%) interest per annum from the
 27 county treasury to the purchaser, the purchaser's successors or
 28 assignees, or the purchaser of the certificate of sale under IC 6-1.1-24.
 29 The tract or item of real property, if it is then eligible for sale under
 30 IC 6-1.1-24, shall be placed on the delinquent list as an initial offering
 31 under IC 6-1.1-24-6.

32 (f) Notwithstanding subsections (d) and (e), the court shall not
 33 order the return of the purchase price if:

34 (1) the purchaser or the purchaser of the certificate of sale under
 35 IC 6-1.1-24 has failed to provide notice or has provided
 36 insufficient notice as required by section 4.5 of this chapter; and

37 (2) the sale is otherwise valid.

38 (g) A tax deed executed under this section vests in the grantee an
 39 estate in fee simple absolute, free and clear of all liens and
 40 encumbrances created or suffered before or after the tax sale except
 41 those liens granted priority under federal law, and the lien of the state
 42 or a political subdivision for taxes and special assessments that accrue
 43 subsequent to the sale. However, the estate is subject to all easements,
 44 covenants, declarations, and other deed restrictions and laws governing
 45 land use, including all zoning restrictions and liens and encumbrances
 46 created or suffered by the purchaser at the tax sale. The deed is prima
 47 facie evidence of:

48 (1) the regularity of the sale of the real property described in the
 49 deed;

50 (2) the regularity of all proper proceedings; and

(3) valid title in fee simple in the grantee of the deed.

(h) A tax deed issued under this section is incontestable except by appeal from the order of the court directing the county auditor to issue the tax deed filed not later than sixty (60) days after the date of the court's order.

SECTION 33. IC 6-1.1-25-4.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.7. (a) A county auditor and county treasurer may enter into a mutual agreement for the county auditor to perform the following duties instead of the purchaser:

(1) Notification and title search under section 4.5 of this chapter.

(2) Notification and petition to the court for the tax deed under section 4.6 of this chapter.

(b) If a county auditor and county treasurer enter into an agreement under this section, notice shall be given under ~~IC 6-1.1-24-2(a)(11)~~. **IC 6-1.1-24-2(a)(12).**

SECTION 34. IC 6-1.1-25-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) This section applies to ~~a county having a consolidated city~~: **all counties.**

(b) The county auditor shall provide the ~~metropolitan development~~ commission **(as defined in IC 6-1.1-24-1.5)** with a list of real property:

(1) included on the list prepared under IC 6-1.1-24-1.5;

(2) for which a certificate of sale has been issued; and

(3) for which the holder of the certificate has not requested the county auditor to execute and deliver a deed.

(c) This subsection does not apply to property described under subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The ~~metropolitan development~~ commission shall, within a reasonable time after receiving a list under subsection (b), identify any property described under subsection (b) that the ~~metropolitan development~~ commission desires to acquire for urban homesteading under IC 36-7-17 or redevelopment purposes under **IC 36-7-14 or IC 36-7-15.1.** The ~~metropolitan development~~ commission shall then provide the county auditor with a list of the properties identified under this subsection.

(d) This subsection applies only to property described under subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The redevelopment commission shall, within a reasonable time after receiving the list under subsection (b), identify any property described in subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The redevelopment commission shall then provide the county auditor with a list of the properties identified under this subsection.

~~(d)~~ **(e)** The county auditor shall execute and deliver a deed for any property identified under subsection (c) **or (d)** to the ~~metropolitan development~~ commission.

~~(e)~~ **(f)** The county auditor shall execute and deliver a deed to the county for any property:

(1) included in the notice prepared under subsection (b); and

- 1 (2) not identified under subsection (c) **or (d)**.
2 ~~(f)~~ **(g)** The ~~metropolitan development~~ commission and the county
3 may not pay for any property acquired under subsection ~~(d)~~ **or (e) or**
4 **(f)**. However, a taxing unit having an interest in the taxes on the real
5 property shall be credited with the full amount of the delinquent tax due
6 to that unit.
- 7 SECTION 35. IC 6-1.1-25-8 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Each county auditor
9 shall maintain a tax sale record on the form prescribed by the state
10 board of accounts. The record shall contain:
- 11 (1) **the parcel number and** a description of each parcel of real
12 property:
13 (A) that is sold under IC 6-1.1-24;
14 (B) on which a county acquires a lien under IC 6-1.1-24-6;
15 or
16 (C) for which a certificate of sale is ~~purchased~~ **sold** under
17 ~~IC 6-1.1-24~~; **IC 6-1.1-24-6.1**.
- 18 (2) the name of the owner of ~~the record of~~ real property **with a**
19 **single owner, or at least one (1) of the owners of record of**
20 **real property with multiple owners**, at the time of the:
21 (A) sale;
22 (B) lien acquisition; or
23 (C) **sale of the** certificate of sale; ~~purchase~~;
- 24 (3) the date of the:
25 (A) sale;
26 (B) lien acquisition; or
27 (C) **sale of the** certificate of sale; ~~purchase~~;
- 28 (4) the name and mailing address of the:
29 (A) purchaser of the property and, **if the purchaser**
30 **assigned the property**, the purchaser's assignee; or
31 (B) purchaser of the certificate of sale **and, if the purchaser**
32 **assigned the certificate of sale, the purchaser's assignee**;
- 33 (5) the amount of the minimum bid **under IC 6-1.1-24-5(e)**;
- 34 (6) the amount for which the:
35 (A) real property; or
36 (B) certificate of sale;
37 is sold;
- 38 (7) the amount of any taxes **or special assessments** paid **after**
39 **the sale** by the:
40 (A) purchaser of the real property or the purchaser's
41 assignee; or
42 (B) purchaser of the certificate of sale;
43 and the date of the payment;
- 44 (8) the amount of any costs certified to the county auditor under
45 section 2(e) of this chapter and the date of the certification;
- 46 (9) the name of the person, if any, who redeems the property;
- 47 (10) the date of redemption;
- 48 (11) the amount for which the property is redeemed;
- 49 (12) the date a deed, if any, to the real property is executed; **and**
50 (13) the name of the grantee in the deed; **and**

(14) for each sale of a certificate of sale under IC 6-1.1-24-6.1, the amount referred to in IC 6-1.1-24-6.1(a)(3).

SECTION 36. IC 6-1.1-25-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) When a county acquires title to real property under IC 6-1.1-24 and this chapter, the county may dispose of the real property under IC 36-1-11 or subsection (e). The proceeds of any sale under IC 36-1-11 shall be applied as follows:

(1) First, to the cost of the sale or offering for sale of the real property, including the cost of:

(A) maintenance;

(B) preservation;

(C) administration of the property before the sale or offering for sale of the property;

(D) unpaid costs of the sale or offering for sale of the property;

(E) preparation of the property for sale;

(F) advertising; and

(G) appraisal.

(2) Second, to any unrecovered cost of the sale or offering for sale of other real property in the same taxing district acquired by the county under IC 6-1.1-24 and this chapter, including the cost of:

(A) maintenance;

(B) preservation;

(C) administration of the property before the sale or offering for sale of the property;

(D) unpaid costs of the sale or offering for sale of the property;

(E) preparation of the property for sale;

(F) advertising; and

(G) appraisal.

(3) Third, to the payment of the taxes on the real property that were removed from the tax duplicate under section 4(c) of this chapter.

(4) Fourth, any surplus remaining into the county general fund.

(b) The county auditor shall file a report with the board of commissioners before January 31 of each year. The report must:

(1) list the real property acquired under IC 6-1.1-24 and this chapter; and

(2) indicate if any person resides or conducts a business on the property.

(c) **Subject to subsection (f)**, the county auditor shall mail a notice by certified mail before March 31 of each year to each person listed in subsection (b)(2). The notice must state that the county has acquired title to the tract the person occupies.

(d) If the county determines under IC 36-1-11 that any real property so acquired should be retained by the county, then the county shall not dispose of the real property. The county executive may repair, maintain, equip, alter, and construct buildings upon the real property so

1 retained in the same manner prescribed for other county buildings.

2 (e) The county may transfer title to real property described in
3 subsection (a) to the redevelopment commission at no cost to the
4 commission for sale or grant under IC 36-7-14-22.2, IC 36-7-15.1-15.1,
5 or IC 36-7-15.1-15.2.

6 **(f) The county auditor is not required to mail the notice**
7 **referred to in subsection (c) by certified mail to a person with a**
8 **mailing address outside the United States.**

9 SECTION 37. IC 7.1-3-9-7 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. ~~Ordinance Sent to~~
11 ~~Commission.~~ The city clerk, **city clerk-treasurer**, or town ~~clerk~~
12 **clerk-treasurer** of a city or town in which an ordinance proscribed by
13 ~~IC 1971, 7.1-3-9-6, IC 7.1-3-9-6~~ has been enacted, shall, immediately
14 upon the enactment, certify a copy of the ordinance and mail it by
15 registered mail to the commission. The commission, out of its expenses,
16 shall pay the clerk one dollar ~~(\$1.00)~~, **(\$1)** for ~~his~~ **the clerk's** services
17 in the matter.

18 SECTION 38. IC 8-1.5-1-6 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. "Fiscal officer"
20 means:

- 21 (1) controller **or clerk-treasurer**, for a second class city;
- 22 (2) clerk-treasurer, for a third class city; or
- 23 (3) clerk-treasurer, for a town.

24 SECTION 39. IC 8-22-3-30 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. (a) All expenses
26 incurred by the board that must be paid prior to the collection of taxes
27 levied under this chapter shall be met and paid in the following manner.
28 The board shall from time to time certify the items of expense to the
29 **city controller, of the city, city clerk-treasurer, town clerk-treasurer,**
30 **of the town, or county auditor of the county** in which the district is
31 located, directing ~~him~~ **the city controller, city clerk-treasurer, town**
32 **clerk-treasurer, or county auditor** to pay the amounts. ~~and~~ The fiscal
33 officer shall draw ~~his~~ **a** warrant or warrants upon the treasurer of the
34 city, town, or county, as applicable, which warrant or warrants shall be
35 paid out of the general funds of the city, town, or county not already
36 appropriated, without special appropriations being made by the fiscal
37 body or approval by any other body.

38 (b) In case there are no unappropriated general funds of the city,
39 town, or county, the fiscal officer shall recommend to the fiscal body
40 the temporary transfer, from other funds of the city, town, or county, of
41 a sufficient amount to meet the items of expense or the making of a
42 temporary loan for the purpose. The fiscal body affected shall
43 immediately make the transfer of funds or authorize the temporary
44 loans in the same manner that other transfers and temporary loans are
45 made by the city, town, or county. The total amount to be advanced
46 may not exceed fifty thousand dollars (\$50,000) and the fund or funds
47 of the city, town, county, or other entity from which the advancement
48 is made shall be fully reimbursed and repaid by the authority out of the
49 first proceeds of the special taxes levied under this chapter. No part of
50 the funds advanced may be used in the acquisition of real property.

SECTION 40. IC 8-22-3.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) As used in this section, "base assessed value" means:

(1) the net assessed value of all the tangible property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the commission's resolution adopted under section 5 of this chapter, **notwithstanding the date of the final action taken under section 6 of this chapter**; plus

(2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

However, subdivision (2) applies only to an airport development zone established after June 30, 1997, and the portion of an airport development zone established before June 30, 1997, that is added to an existing airport development zone.

(b) Except in a county described in section 1(5) of this chapter, a resolution adopted under section 5 of this chapter and confirmed under section 6 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section.

(c) The allocation provision must:

(1) apply to the entire airport development zone; and

(2) require that any property tax on taxable tangible property subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes in the airport development zone be allocated and distributed as provided in subsections (d) and (e).

(d) Except in a county described in section 1(5) of this chapter, and as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(1) the assessed value of the tangible property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value;

shall be allocated and, when collected, paid into the funds of the respective taxing units.

(e) Except in a county described in section 1(5) of this chapter, all of the property tax proceeds in excess of those described in subsection (d) shall be allocated to the eligible entity for the airport development zone and, when collected, paid into special funds as follows:

(1) The commission may determine that a portion of tax proceeds shall be allocated to a training grant fund to be expended by the commission without appropriation solely for the purpose of reimbursing training expenses incurred by public or private entities in the training of employees for the qualified airport development project.

(2) ~~Except as provided in subsection (f), all remaining~~ The

commission may determine that a portion of tax proceeds shall be allocated to a debt service fund and dedicated to the payment of principal and interest on revenue bonds of the airport authority for a qualified airport development project, ~~or to the payment of leases for a qualified airport development project, or to the payment of principal and interest on bonds issued by an eligible entity to pay for qualified airport development projects in the airport development zone or serving the airport development zone.~~

(3) Except as provided in subsection (f), all remaining tax proceeds after allocations are made under subdivisions (1) and (2) shall be allocated to a project fund and dedicated to the reimbursement of expenditures made by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.

(f) Except in a county described in section 1(5) of this chapter, if the tax proceeds allocated to the ~~debt service project~~ **project fund in subsection (e)(3)** exceed the amount necessary to

~~(1) pay principal and interest on airport authority revenue bonds;~~
~~(2) pay lease rentals on leases of a qualified airport development project; or~~

~~(3) create, maintain, or restore a reserve for airport authority revenue bonds or for lease rentals or leases of a qualified airport development project;~~

satisfy amounts required under subsection (e), the excess in the project fund over that amount shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(g) Except in a county described in section 1(5) of this chapter, when money in the debt service fund **and in the project fund** is sufficient to pay all outstanding principal and interest (to the earliest date on which the obligations can be redeemed) on revenue bonds issued by the airport authority for the financing of qualified airport development projects, ~~and all lease rentals payable on leases of qualified airport development projects, and all costs and expenditures associated with all qualified airport development projects,~~ money in the debt service fund **and in the project fund** in excess of ~~that amount those amounts~~ shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(h) Except in a county described in section 1(5) of this chapter, property tax proceeds allocable to the debt service fund under subsection (e)(2) must, subject to subsection (g), be irrevocably pledged by the eligible entity for the purpose set forth in subsection (e)(2).

(i) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable tangible property situated upon or in, or added to, the airport development zone effective on the next assessment date after the petition.

(j) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, the assessed value of all taxable tangible

property in the airport development zone, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the tangible property as valued without regard to this section; or
- (2) the base assessed value.

SECTION 41. IC 9-21-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Except as provided in subsection (e), whenever a local authority in the authority's jurisdiction determines ~~on the basis of an engineering and traffic investigation~~ that the maximum speed permitted under this chapter is greater or less than reasonable and safe under the conditions found to exist on a highway or part of a highway, the local authority may determine and declare a reasonable and safe maximum limit on the highway. The maximum limit declared under this section may do any of the following:

- (1) Decrease the limit within urban districts, but not to less than twenty (20) miles per hour.
- (2) Increase the limit within an urban district, but not to more than fifty-five (55) miles per hour during daytime and fifty (50) miles per hour during nighttime.
- (3) Decrease the limit outside an urban district, but not to less than thirty (30) miles per hour.
- (4) Decrease the limit in an alley, but to not less than five (5) miles per hour.
- (5) Increase the limit in an alley, but to not more than thirty (30) miles per hour.

The local authority must perform an engineering and traffic investigation before a determination may be made to change a speed limit under subdivision (2), (3), (4), or (5) or before the speed limit within an urban district may be decreased to less than twenty-five (25) miles per hour under subdivision (1).

(b) A local authority in the authority's jurisdiction shall determine by an engineering and traffic investigation the proper maximum speed for all local streets and shall declare a reasonable and safe maximum speed permitted under this chapter for an urban district. **However, an engineering and traffic study is not required to be performed for the local streets in an urban district under this subsection if the local authority determines that the proper maximum speed in the urban district is not less than twenty-five (25) miles per hour.**

(c) An altered limit established under this section is effective at all times or during hours of darkness or at other times as may be determined when appropriate signs giving notice of the altered limit are erected on the street or highway.

(d) Except as provided in this subsection, a local authority may not alter a speed limit on a highway or extension of a highway in the state highway system. A city or town may establish speed limits on state highways upon which a school is located. However, a speed limit established under this subsection is valid only if the following

1 conditions exist:

- 2 (1) The limit is not less than twenty (20) miles per hour.
- 3 (2) The limit is imposed only in the immediate vicinity of the
- 4 school.
- 5 (3) Children are present.
- 6 (4) The speed zone is properly signed.
- 7 (5) The Indiana department of transportation has been notified of
- 8 the limit imposed by certified mail.

9 (e) A local authority may decrease a limit on a street to not less
10 than fifteen (15) miles per hour if the following conditions exist:

- 11 (1) The street is located within a park or playground established
- 12 under IC 36-10.
- 13 (2) The:
- 14 (A) board established under IC 36-10-3;
- 15 (B) board established under IC 36-10-4; or
- 16 (C) park authority established under IC 36-10-5;
- 17 requests the local authority to decrease the limit.
- 18 (3) The speed zone is properly signed.

19 SECTION 42. IC 9-22-1-27 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) This section
21 applies to sales of abandoned vehicles or parts by local units.

22 (b) The proceeds from the sale of abandoned vehicles or parts,
23 including:

- 24 (1) charges for bills of sale; and
- 25 (2) money received from persons who own or hold liens on
- 26 vehicles for the cost of removal or storage of vehicles;
- 27 shall be deposited with the county treasurer, ~~or the city controller, or~~
- 28 **the city clerk-treasurer of a second class city**, and placed by the
- 29 **county** treasurer, ~~or city controller, or city clerk-treasurer~~ in the unit's
- 30 abandoned vehicle fund.

31 (c) The costs incurred by a public agency in administering this
32 chapter shall be paid from the abandoned vehicle fund.

33 (d) The fiscal body shall annually appropriate sufficient money to
34 the fund to carry out this chapter. Money remaining in the fund at the
35 end of a year remains in the fund and does not revert to the general
36 fund.

37 (e) Notwithstanding subsection (d), the fiscal body of a
38 consolidated city may transfer money from the fund."

39 Page 3, between lines 7 and 8, begin a new paragraph and insert:

40 "SECTION 2. IC 10-18-4-3 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The legislative
42 body of a city may, upon recommendation of the mayor and city
43 controller **or city clerk-treasurer**, if applicable, by ordinance adopted
44 and approved as provided in section 22 of this chapter, appropriate for
45 the use of the board of public works of the city money of the city for
46 World War memorial and other public purposes.

47 (b) Any money and the total of all money appropriated under this
48 chapter may not exceed six-tenths of one percent (0.6%) of the adjusted
49 value of the taxable property of the city as determined under
50 IC 36-1-15.

(c) The board of public works, with the approval of the mayor, may use the funds so appropriated for any of the purposes described in section 2 of this chapter.

SECTION 3. IC 10-18-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A city may appropriate money for use of the board of public works of the city for any of the purposes provided in this chapter, either out of the general funds of the city or from the proceeds of a bond issue for those purposes.

(b) A city may sell bonds for the purpose of raising funds to comply with this chapter.

(c) Except as provided in this chapter, the appropriation of money and the sale of bonds by a city is governed by the law relating to the appropriation of money and the sale of bonds by the city for other city purposes.

(d) The legislative body of a city may, by ordinance adopted and approved as provided in section 22 of this chapter, do any of the following:

(1) Authorize the city controller **or city clerk-treasurer**, if applicable, and the mayor, in the name of the city, to make permanent loans of money for any of the purposes of this chapter of any amount not more than six-tenths of one percent (0.6%) of the adjusted value of taxable property of the city as determined under IC 36-1-15.

(2) Authorize the city controller **or city clerk-treasurer**, if applicable, and mayor of the city to issue bonds for the purpose of funding or refunding loans made by the city under this chapter. Except as provided in this chapter, any loans must be made and governed by the law concerning permanent loans by cities. Any bonds must satisfy all of the following:

(A) The bonds may be issued in any denomination of not more than one thousand dollars (\$1,000) each and in not less than twenty (20) or more than fifty (50) series. Each series must be for the amount as provided by the ordinance.

(B) The bonds must be payable one (1) series each year, beginning on July 1 of the fifth year after the issue of the bonds.

(C) The bonds must be negotiable as inland bills of exchange.

(D) The bonds must bear interest at the rate of not more than six percent (6%) a year, payable semiannually on July 1 and January 1 of each year.

(3) Authorize the city controller **or the city clerk-treasurer**, if applicable, and mayor, in advertising for the sale of bonds, to ask for competitive bids on the bonds on any series of not less than twenty (20) nor more than fifty (50). The city controller **or the city clerk-treasurer**, if applicable, and mayor may accept the bid that, in their judgment, is the most advantageous bid to the city.

(e) Bonds issued under this chapter are exempt from taxation for

1 all purposes.

2 (f) A series of bonds issued under this chapter may not be for less
3 than two percent (2%) of the total amount of bonds issued.

4 (g) The proceeds of bonds sold under this chapter by the city,
5 including any premium on the bonds, must be kept as a separate and
6 specific fund, to be known as the World War memorial fund. Money in
7 the fund may be used only for any of the purposes described in section
8 2 of this chapter.

9 (h) The city legislative body may, by ordinance, transfer to the
10 World War memorial bond fund any surplus finally remaining in the
11 World War memorial fund, after all the demands on the city for money
12 in the World War memorial fund have been paid and discharged.

13 (i) A suit to question the validity of any bond issued under this
14 chapter may not be instituted after the date set for the sale of the bonds.
15 All bonds, beginning on the date set for the sale of the bonds, are
16 incontestable for any cause.

17 SECTION 4. IC 10-18-4-18 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The legislative
19 body of a city may, upon the recommendation of the mayor and city
20 controller **or city clerk-treasurer**, if applicable, of the city, instead of
21 selling bonds as provided in section 5 of this chapter, sell bonds:

- 22 (1) with a maturity of not more than ten (10) years;
- 23 (2) for any of the purposes authorized by this chapter;
- 24 (3) at a rate of interest not more than six percent (6%) a year,
25 payable semiannually; and
- 26 (4) payable at their maturity, but not later than ten (10) years
27 after the date of the issuance of the bonds.

28 If the bonds are issued for a period longer than five (5) years, at least
29 two percent (2%) of the total issue of the bonds must mature each year
30 after the fifth year, and the balance must mature and be paid or
31 refunded not later than ten (10) years after the date of issuance.

32 (b) Bonds issued under this section, the taxes to pay the bonds as
33 they mature, and interest accruing on the bonds must be levied in
34 accordance with sections 5 and 6 of this chapter.

35 (c) The city's legislative body may refund bonds sold under this
36 section with other bond issues in accordance with section 5 and other
37 provisions of this chapter relating to the sale of bonds. The city's
38 legislative body may name the date when the first series of refunding
39 bonds is due. However, the due date of the first series due may not be
40 more than five (5) years from the date of issue.

41 SECTION 5. IC 11-13-1-1 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A court or
43 division of a court authorized to impose probation shall appoint one (1)
44 or more probation officers, depending on the needs of the court, except
45 that two (2) or more divisions within a court, two (2) or more courts
46 within a county, or two (2) or more courts not in the same county may
47 jointly appoint and employ one (1) or more probation officers for the
48 purpose of meeting the requirements of this section.

49 (b) A person may be appointed as a probation officer after the
50 effective date established by the judicial conference of Indiana only if

1 that person meets the minimum employment qualifications adopted by
 2 the conference, except that this requirement does not apply to any
 3 person certified as a qualified probation officer before that effective
 4 date. Any uncertified person appointed as a probation officer after the
 5 effective date who fails to successfully complete the written
 6 examination established under section 8 of this chapter within six (6)
 7 months after the date of the person's appointment is prohibited from
 8 exercising the powers of a probation officer as granted by law.

9 (c) Probation officers shall serve at the pleasure of the appointing
 10 court and are directly responsible to and subject to the orders of the
 11 court. The amount and time of payment of salaries of probation officers
 12 shall be fixed by the county, city, or town fiscal body in accordance
 13 with the salary schedule adopted by the county, city, or town fiscal
 14 body under IC 36-2-16.5. The salary of a probation officer shall be paid
 15 out of the county, city, or town treasury by the county auditor, ~~or~~ city
 16 controller, **or city clerk-treasurer**. Probation officers are entitled to
 17 their actual expenses necessarily incurred in the performance of their
 18 duties. Probation officers shall give a bond if the court so directs in a
 19 sum to be fixed by the court.

20 (d) A court, or two (2) or more courts acting jointly, may designate
 21 a probation officer to direct and supervise the work of the probation
 22 department."

23 Page 3, between lines 37 and 38, begin a new paragraph and insert:
 24 "SECTION 3. IC 32-21-2-3 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. For a conveyance,
 26 a mortgage, or an instrument of writing to be recorded, it must be:

27 (1) acknowledged by the grantor; or

28 (2) proved before a:

29 (A) judge;

30 (B) clerk of a court of record;

31 (C) county auditor;

32 (D) county recorder;

33 (E) notary public;

34 (F) mayor of a city in Indiana or any other state;

35 (G) commissioner appointed in a state other than Indiana by
 36 the governor of Indiana;

37 (H) minister, charge d'affaires, or consul of the United
 38 States in any foreign country;

39 (I) clerk of the city county council for a consolidated city,
 40 city clerk **or clerk-treasurer** for a second class city, or
 41 clerk-treasurer for a third class city;

42 (J) clerk-treasurer for a town; or

43 (K) person authorized under IC 2-3-4-1.

44 SECTION 4. IC 32-24-2-1 IS AMENDED TO READ AS
 45 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
 46 chapter, "fiscal officer" means:

47 (1) the city controller of a consolidated city; ~~or~~

48 **(2) the city controller or the city clerk-treasurer of a second**
 49 **class city;**

50 ~~(2)~~ **(3) the city clerk-treasurer of a third class city; or**

1 ~~(3)~~ **(4)** the town clerk-treasurer of a town.

2 SECTION 5. IC 33-35-3-1 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The officers of
4 a city court are a:

- 5 (1) judge;
- 6 (2) clerk; and
- 7 (3) bailiff.

8 However, in third class cities **and in second class cities that elect a**
9 **clerk-treasurer**, the judge may act as clerk and perform all duties of
10 the clerk of the court or appoint a clerk of the court. If the judge does
11 not act as clerk of the court or appoint a clerk of the court, the city
12 clerk-treasurer elected under IC 3-10-6 shall perform the duties of the
13 clerk of the city court.

14 (b) The clerk is an officer of a town court. The judge of a town
15 court may act as clerk and perform all duties of the clerk of the court or
16 appoint a clerk of the court. If the judge does not act as a clerk of the
17 court or appoint a clerk of the court, the town clerk-treasurer elected
18 under IC 3-10-6 or IC 3-10-7 shall perform the duties of the clerk of the
19 town court.

20 (c) The clerk and bailiff may not receive any fees or compensation
21 other than their salaries.

22 SECTION 6. IC 33-35-3-2 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In **a second class**
24 ~~cities, city that does not elect a clerk-treasurer~~, the city clerk is the
25 clerk of the city court.

26 **(b) In a second class city that is not described in subsection (a)**
27 **and the city clerk of in** a third class city, **the clerk-treasurer** is the
28 clerk of the city court if the judge does not serve as clerk or appoint a
29 clerk under section 1 of this chapter.

30 ~~(b)~~ **(c)** A city clerk **or city clerk-treasurer** of a second class city,
31 a city clerk-treasurer of a third class city, or an appointed clerk in a
32 third class city who serves as the clerk of the city court shall give bond
33 as prescribed in this chapter.

34 ~~(c)~~ **(d)** The clerk may administer oaths.

35 ~~(d)~~ **(e)** The clerk of a city or town court shall:

- 36 (1) issue all process of the court, affix the seal of the court to the
- 37 process, and attest to the process;
- 38 (2) keep a complete record and docket of all cases showing:
 - 39 (A) the name of a person who was arrested and brought
 - 40 before the court;
 - 41 (B) the disposition of the case; and
 - 42 (C) an account of the:
 - 43 (i) fees;
 - 44 (ii) fines;
 - 45 (iii) penalties;
 - 46 (iv) forfeitures;
 - 47 (v) judgments;
 - 48 (vi) executions;
 - 49 (vii) decrees; and
 - 50 (viii) orders;

- 1 in as near to the same manner as the records are kept by the
 2 clerk of the circuit court; and
 3 (3) collect all:
 4 (A) fees;
 5 (B) fines;
 6 (C) penalties and forfeitures;
 7 (D) judgments;
 8 (E) executions; and
 9 (F) money;
 10 accruing to the city or town from the enforcement of ordinances.
 11 ~~(e)~~ (f) At the close of each week, the clerk shall make and deliver
 12 to the city controller of a second class city, **clerk-treasurer of a second**
 13 **class city**, clerk-treasurer of a third class city, or clerk-treasurer of a
 14 town a written report of all cases in which the clerk has received or
 15 collected any fines or forfeitures due the city or town. The clerk shall
 16 then pay over the money to the controller or clerk-treasurer and take a
 17 receipt for the payment.
 18 ~~(f)~~ (g) At the end of each month, the clerk shall make out and
 19 deliver to the county treasurer of the county in which the city or town
 20 is located a written report of all cases in which the clerk has received
 21 or collected any fines or forfeitures due the state during the month and
 22 pay to the county treasurer all fines or forfeitures collected, taking a
 23 receipt for the payment.
 24 ~~(g)~~ (h) In cities in which the county treasurer rather than the city
 25 controller receives city money for deposit, the clerk shall report and
 26 deliver the money to the county treasurer.
 27 ~~(h)~~ (i) The clerk shall deposit all court costs collected by the clerk
 28 in accordance with IC 33-37-7-12. The clerk shall distribute the state
 29 and county share of court costs collected in accordance with
 30 IC 33-37-7-7 or IC 33-37-7-8.
 31 SECTION 7. IC 33-35-3-9 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) This section
 33 applies after June 30, 2005.
 34 (b) A clerk of a city court in a county having a population of more
 35 than four hundred thousand (400,000) but less than seven hundred
 36 thousand (700,000) shall deposit all court costs collected by the clerk
 37 in accordance with IC 33-37-7-12.
 38 (c) The fees received by the controller ~~from the clerk or the city~~
 39 **clerk-treasurer** shall be paid into the city treasury at the time of the
 40 semiannual settlement for city revenue.
 41 ~~(c)~~ (d) If the party instituting an action or a proceeding recovers
 42 judgment, the judgment must also include as costs an amount equal to
 43 the small claims costs fee and the small claims service fee prescribed
 44 under IC 33-37-4-5 or IC 33-37-4-6.
 45 ~~(d)~~ (e) Money paid in advance for costs remaining unexpended at
 46 the time a civil action or proceeding is terminated, whether by reason
 47 of dismissal or otherwise, must be returned to the party or parties
 48 making payment. However, this section does not apply to civil actions
 49 or proceedings instituted by or on behalf of the state or any of the state's
 50 political subdivisions.".

Page 6, between lines 23 and 24, begin a new paragraph and insert:
 "SECTION 6. IC 36-1-2-4 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. "Clerk" means:

- (1) clerk of the circuit court, for a county;
- (2) county auditor, for a board of county commissioners or county council;
- (3) clerk of the city-county council, for a consolidated city;
- (4) city clerk **or city clerk-treasurer** for a second class city;
- (5) clerk-treasurer, for a third class city; or
- (6) clerk-treasurer, for a town.

SECTION 7. IC 36-1-2-7 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. "Fiscal officer"
 means:

- (1) auditor, for a county;
- (2) controller, for a consolidated city; ~~or~~
- (3) controller or clerk-treasurer for a second class city;**
- ~~(3) (4)~~ clerk-treasurer, for a third class city;
- ~~(4) (5)~~ clerk-treasurer, for a town; or
- ~~(5) (6)~~ trustee, for a township."

Page 7, after line 25, begin a new paragraph and insert:

"SECTION 7. IC 36-2-5-13 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
 Sec. 13. **(a) Except as provided in subsection (b),** the compensation
 of an elected county officer may not be changed in the year for which
 it is fixed. The compensation of other county officers, deputies, and
 employees or the number of each may be changed at any time on:

- (1) the application of the county fiscal body or the affected
 officer, department, commission, or agency; and
- (2) a majority vote of the county fiscal body.

**(b) In the year in which a newly elected county officer takes
 office, the county fiscal body may at any time change the
 compensation for holding the county office for that year if:**

- (1) the county officer requests the compensation change or,
 in the case of the county executive body, a majority of the
 county executive body requests the change; and**
- (2) the county fiscal body votes to approve the change.**

SECTION 8. IC 36-4-1-1.1 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. (a) Except as
 provided in subsection (b), a third class city remains a third class city
 even though the city attains a population of at least thirty-five thousand
 (35,000) at a federal decennial census.

(b) The legislative body of a city to which subsection (a) applies
 may, by ordinance, adopt second class city status.

**(c) After June 30, 2005, a third class city may, in the ordinance
 adopting second class status, choose to elect a city clerk-treasurer
 of the second class city. A city that adopts an ordinance to elect a
 city clerk-treasurer of the second class city under this subsection
 may not elect or appoint the following:**

- (1) A city clerk.**
- (2) A city controller.**

SECTION 9. IC 36-4-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The legislative body shall hold its first regular meeting ~~in its chamber at 7:30 p.m. on the first Monday~~ in January after its election. In subsequent months, the legislative body shall hold regular meetings at least once a month, unless its rules require more frequent meetings.

(b) A special meeting of the legislative body shall be held when called by the city executive or when called under the rules of the legislative body.

SECTION 10. IC 36-4-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This subsection applies only to second class cities. At its first regular meeting under section 7 of this chapter, and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president and a vice president.

(b) This subsection applies only to third class cities. The city executive shall preside at all meetings of the legislative body, but may vote only in order to break a tie. At its first regular meeting under section 7 of this chapter, and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president pro tempore to preside whenever the executive is absent.

SECTION 11. IC 36-4-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) The legislative body may, by ordinance, make loans of money for not more than ~~five~~ **ten (10)** years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the city, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the city's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made in the same manner as loans made under section 19 of this chapter, except that:

- (1) the ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing ~~five~~ **ten (10)** years to provide for refunding the loans; and
- (2) the loans must be evidenced by notes of the city in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

(b) The legislative body may, by ordinance, make loans and issue notes for the purpose of refunding those loans in anticipation of revenues of the city that are anticipated to be levied and collected during the term of the loans. The term of a loan made under this subsection may not be more than ~~five~~ **ten (10)** years. Loans under this subsection shall be made in the same manner as loans made under section 19 of this chapter, except that:

- (1) the ordinance authorizing the loans must appropriate and pledge to their payment a sufficient amount of the revenues in anticipation of which they are issued and out of which they are

payable; and

(2) the loans must be evidenced by time warrants of the city in terms designating the nature of the consideration, the time and place payable, and the revenues in anticipation of which they are issued and out of which they are payable.

(c) An action to contest the validity of a loan made under this section must be brought within fifteen (15) days from the day on which the ordinance is adopted.

SECTION 12. IC 36-4-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section does not apply to compensation paid by a city to members of its police and fire departments.

(b) Subject to the approval of the city legislative body, the city executive shall fix the compensation of each appointive officer, deputy, and other employee of the city. The legislative body may reduce but may not increase any compensation fixed by the executive. Compensation must be fixed under this section ~~before~~

~~(1) September 20 for a third class city; and~~

~~(2) September 30 for a second class city;~~

not later than September 30 of each year for the ensuing budget year.

(c) Compensation fixed under this section may not be increased during the budget year for which it is fixed, but may be reduced by the executive.

(d) Notwithstanding subsection (b), the city clerk may, with the approval of the legislative body, fix the salaries of deputies and employees appointed under IC 36-4-11-4.

SECTION 13. IC 36-4-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. If the city legislative body does not pass the ~~ordinances~~ **ordinance** required by section 7 of this chapter ~~on or before~~

~~(1) September 20 for a third class city; and~~

~~(2) September 30 for a second class city;~~

before October 1 of each year, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 14. IC 36-4-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section applies only to second class cities.

(b) The city executive shall appoint:

(1) a city controller, **if the city does not elect a city clerk-treasurer;**

(2) a city civil engineer;

(3) a corporation counsel;

(4) a chief of the fire department;

(5) a chief of the police department; and

(6) other officers, employees, boards, and commissions required by statute.

(c) The board of public works and safety may be composed of three (3) members or five (5) members appointed by the executive. A member may hold other appointive positions in city government during the member's tenure. IC 36-4-11-2 applies to board member

1 appointments under this section. The executive shall appoint a clerk for
2 the board.

3 (d) If the board of public works and board of public safety are
4 established as separate boards, each board may be composed of three
5 (3) members or five (5) members who are appointed by the executive.
6 A member may hold other appointive positions in city government
7 during the member's tenure. The executive shall appoint a clerk for each
8 board.

9 SECTION 15. IC 36-4-10-2 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A city clerk shall
11 be elected under IC 3-10-6 by the voters of each second class city ~~and~~
12 **if the city does not elect a city clerk-treasurer.** A city clerk-treasurer
13 shall be elected under IC 3-10-6 by the voters of each:

14 **(1) second class city that establishes the office of city**
15 **clerk-treasurer under IC 36-4-1-1.1; and**

16 **(2) third class city.**

17 (b) The city clerk or clerk-treasurer is the clerk of each city.

18 (c) The city controller appointed under IC 36-4-9-6 is the fiscal
19 officer of each second class city ~~and that does not elect a city~~
20 **clerk-treasurer.** The city clerk-treasurer is the fiscal officer of each:

21 **(1) second class city that establishes the office of**
22 **clerk-treasurer under IC 36-4-1-1.1; and**

23 **(2) third class city.**

24 (d) The city controller of a second class city is not liable, in an
25 individual capacity, for any act or omission occurring in connection
26 with the performance of the city controller's duty as fiscal officer of the
27 second class city, unless the act or omission constitutes gross
28 negligence or an intentional disregard of the controller's duty.

29 (e) The term of office of a city clerk or clerk-treasurer is four (4)
30 years, beginning at noon on January 1 after election and continuing
31 until a successor is elected and qualified.

32 SECTION 16. IC 36-4-10-4.5 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) This section
34 applies to:

35 **(1) third class cities; and**

36 **(2) second class cities that elect a city clerk-treasurer.**

37 (b) The fiscal officer is the head of the city department of finance.

38 The fiscal officer shall do the following:

39 (1) Receive and care for all city money and pay the money out
40 only on order of the approving body.

41 (2) Keep accounts showing when and from what sources the
42 fiscal officer has received city money and when and to whom the
43 fiscal officer has paid out city money.

44 (3) Prescribe payroll and account forms for all city offices.

45 (4) Prescribe the manner in which creditors, officers, and
46 employees shall be paid.

47 (5) Manage the finances and accounts of the city and make
48 investments of city money.

49 (6) Prepare for the legislative body the budget estimates of
50 miscellaneous revenue financial statements and the proposed tax

- 1 rate.
- 2 (7) Issue all licenses authorized by statute and collect the fees
- 3 fixed by ordinance.
- 4 (8) Serve as clerk of the board of public works by attending
- 5 meetings, preparing agendas, and recording proceedings.
- 6 (9) Perform all other duties prescribed by statute.
- 7 (c) A fiscal officer is not liable in an individual capacity for an act
- 8 or omission occurring in connection with the performance of the duties
- 9 prescribed by subsection (b), unless the act or omission constitutes
- 10 gross negligence or an intentional disregard of the fiscal officer's
- 11 duties.
- 12 SECTION 17. IC 36-4-10-5 IS AMENDED TO READ AS
- 13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section
- 14 applies to ~~second class cities~~: **a second class city that has a city**
- 15 **controller**.
- 16 (b) The fiscal officer is the head of the city department of finance.
- 17 The fiscal officer shall do the following:
- 18 (1) Prescribe the form of reports and accounts to be submitted to
- 19 the department.
- 20 (2) Sign and issue all warrants on the city treasury.
- 21 (3) Audit and revise all accounts and trusts in which the city is
- 22 concerned.
- 23 (4) Keep separate accounts for each item of appropriation made
- 24 for each city department, including a statement showing the
- 25 amount drawn on each appropriation, the unpaid contracts
- 26 charged against it, and the balance remaining.
- 27 (5) At the end of each fiscal year, submit under oath to the city
- 28 legislative body a report of the accounts of the city published in
- 29 pamphlet form and showing revenues, receipts, expenditures, and
- 30 the sources of revenues.
- 31 (6) Maintain custody of the records of the department and turn
- 32 them over to the fiscal officer's successor in office.
- 33 (7) Perform duties prescribed by statute concerning the
- 34 negotiation of city bonds, notes, and warrants.
- 35 (8) Keep a register of bonds of the city and of transfers of those
- 36 bonds.
- 37 (9) Manage the finances and accounts of the city and make
- 38 investments of city money, subject to the ordinances of the
- 39 legislative body.
- 40 (10) Issue city licenses on payment of the license fee.
- 41 (11) Collect fees as fixed by ordinance.
- 42 (12) Pay into the city treasury, once each week, all fees and other
- 43 city money collected by the department during the preceding
- 44 week, specifying the source of each item.
- 45 (13) Prescribe payroll and account forms for all city offices.
- 46 (14) Prescribe the manner in which salaries shall be drawn.
- 47 (15) Prescribe the manner in which creditors, officers, and
- 48 employees shall be paid.
- 49 (16) Provide that all salaries are payable monthly, unless the
- 50 legislative body establishes more frequent payments.

(17) Notify the city executive of the failure of any city officer to collect money due the city or to pay city money into the city treasury.

(18) Draw warrants on the city treasury for miscellaneous city expenditures not made under the direction of a department and not specifically fixed by statute.

SECTION 18. IC 36-4-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section applies to third class cities **and to second class cities that elect a city clerk-treasurer.**

(b) The clerk shall appoint the number of deputies and employees needed for the effective operation of the office, with the approval of the city legislative body. The clerk's deputies and employees serve at the clerk's pleasure.

(c) If a city owns a utility and the clerk is directly responsible for the billing and collection of that utility's rates and charges, the clerk shall appoint those employees who are also responsible for that billing and collection. These employees serve at the clerk's pleasure.

(d) Whenever the city court judge does not serve as clerk of the city court or appoint a clerk to serve as clerk of the city court under IC 33-35-3-1, the clerk shall serve as clerk of the city court.

SECTION 19. IC 36-5-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

(b) Bonds issued under this section are payable in the amounts and at the times determined by the legislative body.

(c) Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the filing of a petition requesting the issuance of bonds and giving notice of the petition, the giving of notice of a hearing on the appropriation of the proceeds of bonds, the right of taxpayers to appear and be heard on the proposed appropriation, the approval of the appropriation by the department of local government finance, the right of taxpayers to remonstrate against the issuance of bonds, and the sale of bonds at public sale for not less than their par value.

(d) The legislative body may, by ordinance, make loans of money for not more than ~~five (5)~~ **ten (10)** years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made as follows:

(1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing ~~five (5)~~ **ten (10)** years to provide for refunding the loans.

(2) The loans must be evidenced by notes of the town in terms

designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

SECTION 20. IC 36-5-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The legislative body may, by ordinance, make loans and issue notes for the purpose of refunding those loans in anticipation of revenues of the town that are anticipated to be levied and collected during the term of the loans. The term of a loan made under this subsection may not be more than ~~five (5)~~ **ten (10)** years. Loans under this section shall be made in the same manner as loans made under section 11(b) and 11(c) of this chapter, except that:

(1) the ordinance authorizing the loans must appropriate and pledge to the payment of the loans a sufficient amount of the revenues in anticipation of which the loans are issued and out of which the loans are payable; and

(2) the loans must be evidenced by time warrants of the town in terms designating the nature of the consideration, the time and place payable, and the revenues in anticipation of which the loans are issued and out of which the loans are payable.

(b) An action to contest the validity of a loan made under this section must be brought within fifteen (15) days from the day on which the ordinance is adopted.

SECTION 21. IC 36-6-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) This section does not apply to the appropriation of money to pay a deputy, an employee, or a technical adviser that assists a township assessor with assessment duties or to an elected township assessor.

(b) The township legislative body shall fix the:

(1) salaries;

(2) wages;

(3) rates of hourly pay; and

(4) remuneration other than statutory allowances;

of all officers and employees of the township.

(c) Subject to subsection (d), the township legislative body may reduce the salary of an elected or appointed official. However, **except as provided in subsection (i)**, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

(d) Except as provided in ~~subsection~~ **subsections (e) and (i)**, the township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available.

(e) In a township that does not elect a township assessor under IC 36-6-5-1, the township legislative body may appropriate available

township funds to supplement the salaries of elected or appointed officers to compensate them for performing assessing duties. However, in any calendar year no officer or employee may receive a salary and additional salary supplements which exceed the salary fixed for that officer or employee under subsection (b).

(f) If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the township executive and assessor under this section, to take effect January 1 of the next year. However, the township legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

(g) The township legislative body may not reduce the salary of the township executive without the consent of the township executive during the term of office of the township executive as set forth in IC 36-6-4-2.

(h) This subsection applies when a township executive dies or resigns from office. The person filling the vacancy of the township executive shall receive at least the same salary the previous township executive received for the remainder of the unexpired term of office of the township executive (as set forth in IC 36-6-4-2), unless the person consents to a reduction in salary.

(i) In a year in which there is not an election of members to the township legislative body, the township legislative body may by unanimous vote reduce the salaries of the members of the township legislative body by any amount.

SECTION 22. IC 36-7-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. "Blighted area" means an area in which normal development and occupancy are undesirable or impossible because of:

- (1) lack of development;
- (2) cessation of growth;
- (3) deterioration of improvements;
- (4) character of occupancy;
- ~~(5) age;~~
- ~~(6)~~ (5) obsolescence;
- ~~(7)~~ (6) substandard buildings; or
- ~~(8)~~ (7) other factors that impair values or prevent a normal use or development of property.

SECTION 23. IC 36-7-9-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) If all or any part of the costs listed in section 12 of this chapter remain unpaid for any unsafe premises (other than unsafe premises owned by a governmental entity) for more than fifteen (15) days after the completion of the work, the enforcement authority does not act under section 13.5 of this chapter, and the enforcement authority determines that there is a reasonable probability of obtaining recovery, the enforcement authority shall prepare a record stating:

- (1) the name and last known address of each person who held a fee interest, life estate interest, or equitable interest of a contract

1 purchaser in the unsafe premises from the time the order
 2 requiring the work to be performed was recorded to the time that
 3 the work was completed;

4 (2) the legal description or address of the unsafe premises that
 5 were the subject of work;

6 (3) the nature of the work that was accomplished;

7 (4) the amount of the unpaid bid price of the work that was
 8 accomplished; and

9 (5) the amount of the unpaid average processing expense.

10 The record must be in a form approved by the state board of accounts.

11 (b) The enforcement authority, or its head, shall swear to the
 12 accuracy of the record before the clerk of the circuit court and deposit
 13 the record in the clerk's office. Notice that the record has been filed and
 14 that a hearing on the amounts indicated in the record may be held must
 15 be sent to the persons named in the record, in the manner prescribed by
 16 section 25 of this chapter.

17 (c) If, within thirty (30) days after the notice required by
 18 subsection (b), a person named in the record files with the clerk of the
 19 circuit court a written petition objecting to the claim for payment and
 20 requesting a hearing, the clerk shall enter the cause on the docket of the
 21 circuit or superior court as a civil action, and a hearing shall be held on
 22 the question in the manner prescribed by IC 4-21.5. However, issues
 23 that could have been determined under section 8 of this chapter may not
 24 be entertained at the hearing. At the conclusion of the hearing, the court
 25 shall either sustain the petition or enter a judgment against the persons
 26 named in the record for the amounts recorded or for modified amounts.

27 (d) If no petition is filed under subsection (c), the clerk of the
 28 circuit court shall enter the cause on the docket of the court, and the
 29 court shall enter a judgment for the amounts stated in the record.

30 (e) A judgment under subsection (c) or (d), to the extent that it is
 31 not satisfied under IC 27-2-15, is a debt and a lien on all the real and
 32 personal property of the person named, or a joint and several debt and
 33 lien on the real and personal property of the **following**:

34 **(1) The persons named.**

35 **(2) An officer or director of the persons named.**

36 **(3) A shareholder, partner, member, or other person that**
 37 **owns more than a ten percent (10%) interest in the persons**
 38 **named.**

39 **(f)** The lien on real property is perfected against all creditors and
 40 purchasers when the judgment is entered on the judgment docket of the
 41 court. The lien on personal property is perfected by filing a lis pendens
 42 notice in the appropriate filing office, as prescribed by the Indiana
 43 Rules of Trial Procedure.

44 ~~(f)~~ **(g)** Judgments rendered under this section may be enforced in
 45 the same manner as all other judgments are enforced.

46 SECTION 24. IC 36-7-17-12 IS AMENDED TO READ AS
 47 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) A property for
 48 which no one applies in two (2) successive drawings held under this
 49 chapter may be sold at public auction to the highest bidder.

50 (b) The proceeds of the sale of real property acquired under

IC 6-1.1-24-6.5 or IC 6-1.1-25-7.5 shall be applied to the cost of the sale, including advertising and appraisal.

(c) If any proceeds remain after payment of the costs under subsection (b), the proceeds shall be applied to the payment of taxes removed from the tax duplicate under IC 6-1.1-24-6.5(e) or ~~IC 6-1.1-25-7.5(e)~~. **IC 6-1.1-25-7.5.**

(d) If any proceeds remain after payment of the taxes under subsection (c), the proceeds shall be deposited in the county general fund.

SECTION 25. IC 36-7-17.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 17.5. Residential Redevelopment Areas

Sec. 1. This chapter applies to:

- (1) a consolidated city; and
- (2) a second class city.

Sec. 2. As used in this chapter, "affordable housing" means residential property that is affordable for individuals or families earning not more than eighty percent (80%) of the area's median income, as determined by the United States Department of Housing and Urban Development.

Sec. 3. As used in this chapter, "authority" refers to the Indiana housing finance authority.

Sec. 4. As used in this chapter, "city" means a consolidated city or a second class city.

Sec. 5. As used in this chapter, "commission" means:

- (1) the metropolitan development commission in a consolidated city; or
- (2) a redevelopment commission established by a second class city under IC 36-7-14-3.

Sec. 6. As used in this chapter, "rehabilitation" means the remodeling, repair, or betterment of real property in any manner or any enlargement or extension of real property in which depreciable rehabilitation expenditures of at least twenty-five thousand dollars (\$25,000) are incurred.

Sec. 7. As used in this chapter, "residential redevelopment area" means a geographic area of a city that meets the following criteria:

- (1) The area is zoned primarily for residential development.
- (2) The area suffers from deteriorated housing stock or environmental contamination.
- (3) The area is unlikely to be developed by the ordinary operation of private enterprise under the normal regulatory scheme without resorting to the powers allowed under this chapter.
- (4) The redevelopment of the area would benefit the health, welfare, and safety of the residents of the city.

Sec. 8. (a) A commission may designate a geographic area of the city as a residential redevelopment area if the proposed area was previously developed as a residential or commercial area and

1 the commission finds the following:

2 (1) That at least twenty percent (20%) of the real estate
3 parcels in the area are vacant or contain buildings requiring
4 rehabilitation.

5 (2) That at least fifty percent (50%) of the families and
6 individuals living in the proposed residential redevelopment
7 area earn less than the area's median income, as determined
8 by the United States Department of Housing and Urban
9 Development.

10 (3) That there is a documented need for affordable housing
11 in the city.

12 (b) To designate an area as a residential redevelopment area,
13 the commission must also find at least two (2) of the following:

14 (1) That the rate of residential investment in the area has
15 been minimal in recent years.

16 (2) That the growth rate of the property tax base in the area
17 is less than the growth rate of the property tax base of the
18 city.

19 (3) That there is a significant number of parcels in the area
20 with respect to which there are delinquent property tax bills.

21 (4) That the number of building and safety code citations
22 issued in the area is proportionately greater than the number
23 of citations issued in the remainder of the city.

24 (5) That there is a documented need for environmental or
25 other site remediation in the area, including the existence of
26 old utility lines and underground storage tanks.

27 Sec. 9. (a) To designate a residential redevelopment area, a
28 commission must adopt a plan for the redevelopment of the area.
29 The plan must include the following:

30 (1) A specific description of the geographic area, including
31 street boundaries and other pertinent landmarks.

32 (2) A general description of the types of investment in new or
33 rehabilitated structures and the general location of the
34 structures within the area.

35 (3) A requirement that at least forty percent (40%) of the
36 housing in the area will be leased or sold to individuals
37 earning not more than eighty percent (80%) of the area's
38 median income as determined by the United States
39 Department of Housing and Urban Development.

40 (4) A list of the incentives specified in section 10(d) of this
41 chapter.

42 (5) Any restrictions imposed on assessed valuation deductions
43 granted under IC 6-1.1-12.4.

44 (b) The plan may permit the commission to waive a
45 development requirement specified within a zoning ordinance
46 applying to the area if the commission determines that compliance
47 with the development requirement would impede the
48 redevelopment of the area.

49 Sec. 10. (a) As used in this section, "residential redevelopment
50 area" means a residential redevelopment area that:

(1) is designated in the resolution under section 12 of this chapter; and

(2) is administered under a redevelopment plan approved by the authority under section 11 of this chapter.

(b) A commission may include any of the following incentives in the redevelopment plan:

(1) An assessed valuation deduction for the redevelopment or rehabilitation of residential property located in the residential redevelopment area granted under IC 6-1.1-12.4.

(2) An assessed value deduction, as determined by the commission, to limit the increase in the property tax liability on a resident of a residential redevelopment area who meets all of the following criteria:

(A) The resident owns and has continuously lived in a residence within a area designated as a residential redevelopment area for at least five (5) years before the designation of the area.

(B) The resident has income that does not exceed eighty percent (80%) of the area median income, as determined by the United States Department of Housing and Urban Development.

(C) The resident is eligible to receive social security benefits under 42 U.S.C. 402, 42 U.S.C. 423, and 42 U.S.C. 1382.

(c) The commission may impose either of the following restrictions upon an assessed valuation deduction granted under IC 6-1.1-12.4:

(1) A limitation on the dollar amount of the deductions granted in the residential redevelopment area.

(2) Any reasonable condition related to the purposes of this chapter.

A restriction described in this subsection must be included in a redevelopment plan adopted under section 9 of this chapter.

Sec. 11. (a) If a commission wishes to include a tax incentive described in section 10(d) of this chapter in the commission's redevelopment plan for the proposed residential redevelopment area, the commission must send the redevelopment plan to the city's legislative body for approval. The legislative body may adopt a resolution approving the proposed redevelopment plan. Upon obtaining the approval of the legislative body, the commission must send the redevelopment plan to the authority for approval before adopting a declaratory resolution designating the area under section 12 of this chapter.

(b) The authority shall review a redevelopment plan received under subsection (a) for compliance with this chapter.

(c) Not more than sixty (60) days after receiving the plan, the authority shall issue an order either accepting or rejecting the plan based on whether or not the plan complies with this chapter.

(d) An order rejecting the redevelopment plan issued under subsection (c) must include the reasons that the plan does not

1 comply with this chapter.

2 (e) If a redevelopment plan is rejected under this section, the
3 commission may amend the plan and resubmit the plan to the
4 authority. The authority shall review a resubmitted plan and either
5 accept or reject the resubmitted plan not more than thirty (30) days
6 after receiving the resubmitted plan.

7 (f) If the authority accepts a plan under this section, the
8 authority shall certify the plan's compliance with this chapter to
9 the commission. The authority shall send a copy of the certification
10 to the department of state revenue.

11 Sec. 12. To designate a residential redevelopment area, a
12 commission must adopt a declaratory resolution that includes a
13 plan for the redevelopment of the area under section 9 of this
14 chapter.

15 Sec. 13. (a) The commission shall publish notice of a public
16 hearing on the declaratory resolution to designate a residential
17 redevelopment area in the manner prescribed by IC 5-3-1. The
18 notice must include a copy of the declaratory resolution.

19 (b) At the hearing required by this section, the commission
20 shall hear oral testimony and accept the written testimony of
21 persons affected by the designation of the area.

22 Sec. 14. (a) After the hearing on the declaratory resolution, the
23 commission must adopt a resolution that rescinds, amends, or
24 confirms the declaratory resolution.

25 (b) After the commission adopts a resolution confirming or
26 amending the declaratory resolution, the commission must publish
27 notice of the resolution in accordance with IC 5-3-1.

28 (c) Not more than ten (10) days after the publication of the
29 resolution under subsection (b), an aggrieved party may appeal the
30 designation of the area by filing a petition with a circuit or superior
31 court in the county where the area is located.

32 Sec. 15. A commission may exercise the following powers
33 under this chapter:

34 (1) Apply for state and federal grants to be used for the
35 redevelopment of the area.

36 (2) Acquire property in the same manner as an agency may
37 acquire property under IC 36-7-17-3.

38 (3) Transfer property to an eligible entity under IC 6-1.1-24.

39 Sec. 16. The maximum number of areas that a commission
40 may designate is:

41 (1) two (2) in the case of a consolidated city;

42 (2) two (2) in the case of a second class city in which at least
43 twenty percent (20%) of the households in the city are below
44 the poverty level as established by the most recent United
45 States census; or

46 (3) one (1) in the case of all other second class cities.

47 SECTION 26. IC 36-8-3-3 IS AMENDED TO READ AS
48 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A majority of the
49 members of the safety board constitutes a quorum. The board shall
50 adopt rules concerning the time of holding regular and special meetings

1 and of giving notice of them. The board shall elect one (1) of its
 2 members chairman, who holds the position as long as prescribed by the
 3 rules of the board. The board shall record all of its proceedings.

4 (b) The members of the safety board may act only as a board. No
 5 member may bind the board or the city except by resolution entered in
 6 the records of the board authorizing ~~him~~ **the member** to act in its
 7 behalf as its authorized agent.

8 (c) The safety board shall appoint:

9 (1) the members and other employees of the police department
 10 other than those in an upper level policymaking position;

11 (2) the members and other employees of the fire department
 12 other than those in an upper level policymaking position;

13 (3) a market master; and

14 (4) other officials that are necessary for public safety purposes.

15 (d) The annual compensation of all members of the police and fire
 16 departments and other appointees shall be fixed by ordinance of the
 17 legislative body ~~before~~

18 ~~(1) September 20 for a second class city; and~~

19 ~~(2) September 20 for a third class city;~~

20 **not later than September 30** of each year for the ensuing budget year.
 21 The ordinance may grade the members of the departments and regulate
 22 their pay by rank as well as by length of service. If the legislative body
 23 fails to adopt an ordinance fixing the compensation of members of the
 24 police or fire department, the safety board may fix their compensation,
 25 subject to change by ordinance.

26 (e) The safety board, subject to ordinance, may also fix the number
 27 of members of the police and fire departments and the number of
 28 appointees for other purposes and may, subject to law, adopt rules for
 29 the appointment of members of the departments and for their
 30 government.

31 (f) The safety board shall divide the city into police precincts and
 32 fire districts.

33 (g) The police chief has exclusive control of the police department,
 34 and the fire chief has exclusive control of the fire department, subject
 35 to the rules and orders of the safety board. In time of emergency, the
 36 police chief and the fire chief are, for the time being, subordinate to the
 37 city executive and shall obey ~~his~~ **the city executive's** orders and
 38 directions, notwithstanding any law or rule to the contrary.

39 SECTION 27. IC 36-9-36-2 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The following
 41 improvements may be made under this chapter by a county:

42 (1) Sanitary sewers and sanitary sewer tap-ins.

43 (2) Sidewalks.

44 (3) Curbs.

45 (4) Streets.

46 (5) Storm sewers.

47 (6) Lighting.

48 **(7) Emergency warning sirens.**

49 ~~(7)~~ **(8)** Any other structures necessary or useful for the collection,
 50 treatment, purification, and sanitary disposal of the liquid waste,

- 1 sewage, storm drainage, and other drainage of a municipality.
 2 (b) The following improvements may be made under this chapter
 3 by a municipality:
 4 (1) Sidewalks.
 5 (2) Curbs.
 6 (3) Streets.
 7 (4) Alleys.
 8 (5) Paved public places.
 9 (6) Lighting.
 10 (7) A water main extension for a municipality that owns and
 11 operates a water utility.
 12 **(8) Emergency warning sirens.**
 13 SECTION 28. IC 32-21-8 IS REPEALED [EFFECTIVE JULY 1,
 14 2005].
 15 SECTION 29. [EFFECTIVE JULY 1, 2005] **IC 6-1.1-12.4, as**
 16 **added by this act, applies to property tax assessments made after**
 17 **December 31, 2005, for property taxes first due and payable after**
 18 **December 31, 2006.**
 19 SECTION 30. [EFFECTIVE JULY 1, 2005] **IC 6-1.1-25-4, as**
 20 **amended by this act, applies only to properties sold at a tax sale**
 21 **after June 30, 2005.**
 22 SECTION 31. **An emergency is declared for this act."**
 23 Renumber all SECTIONS consecutively.
 (Reference is to ESB 498 as printed April 1, 2005.)

Representative HINKLE

Adopted

Rejected

COMMITTEE REPORT

MR. SPEAKER:

Your Committee of One, to which was referred Engrossed Senate Bill 498, begs leave to report that said bill has been amended as directed.

Representative HINKLE